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**Downsizing and the Impact on  
Employee Job satisfaction**

**An analysis of employee job satisfaction with regard to  
organisational downsizing and merger, between two  
major BT business departments -**

**BT Retail and BT Wholesale Markets**

**Cullum Brenton**

**A dissertation submitted in partial fulfilment of the requirements of University  
College Chester for the degree of Master of Business Administration**

**CHESTER BUSINESS SCHOOL**

**June 2005**

## **Abstract**

This dissertational report represents analytical findings and conclusions following a six month investigation into the issue of downsizing and its impact on employee job satisfaction.

Through qualitative, case-study research, the aim was to explore not only the impact on job satisfaction downsizing had on employees, but also to identify existing literature, in order to understand and establish the subjects being studied.

The data is drawn from two stages of case study research.

Stage one involved a literature review of downsizing and employee job satisfaction. This was necessary, in order to build a theoretical background, allowing the author to discuss the findings with the primary research resulting from the survey.

Stage two consisted of the primary research tool relating to a distributed questionnaire to one hundred and eight two (182) employees from British Telecom's retail division, identified as the most affected staff group of the BT downsizing strategy.

The main results from this study are presented through tables and pictorial diagrams and are aligned to the existing literature in order to present any similarities with the existing literature or is there new evidence stating opposites to the existing literature. The aims of the investigation are to analyse post downsizing, job satisfaction scores using a job satisfaction survey (JSS).

**Declaration**

This work is original and has not been submitted previously for any academic purpose. All secondary sources are acknowledged.

Signed

Date:



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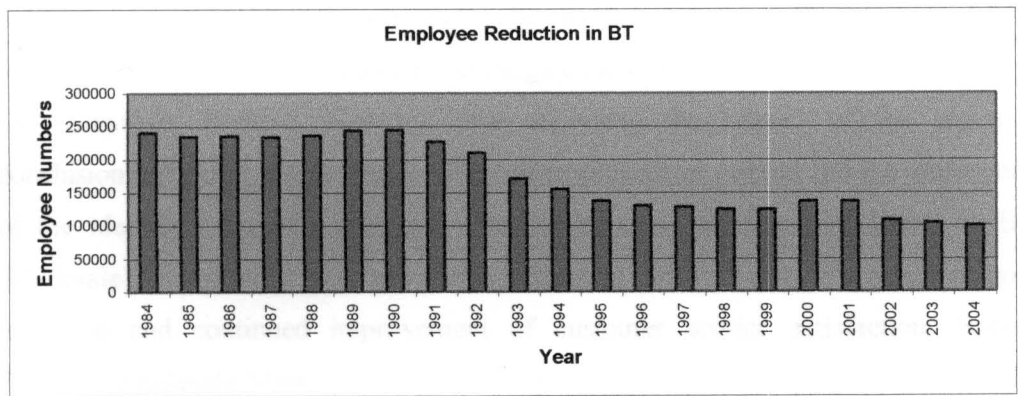
## **Chapter 1 Introduction**

### **1.1 Background to the Research**

British Telecom (BT) is under increasing pressure, greater than ever, from competition and regulation from the Government watchdog, the Office of Communications (OfCOM, formally Office of Telecommunications (OfTEL)). These pressures have seen British Telecom (BT) exerting effort in reducing costs to increase share holder value. The new British Telecom is structured so that British Telecom Group plc provides a holding company for the separately managed businesses which make up the group. These are British Telecom Retail (BTR), British Telecom Wholesale (BTW), British Telecom Openworld (BTO) and British Telecom Global Services (BTGS), each of which has the freedom to focus on its own markets and customers. By understanding their customers better, they can move quickly to seize opportunities and meet challenges. These businesses are supported by British Telecom Exact (BTE), British Telecom's research and development organisation. Historically, as shown in figure 1, British Telecom has reduced it's employee numbers from two hundred and fifty thousand (250, 000) in 1989 to one hundred thousand (100, 000) to date. 'It's a safe bet that British Telecom's 100,000 headcount will be coming down again soon'. (Saunders, A, 2004)

As part of British Telecom's efforts to reduce costs by 5% year on year, the company sought to reduce its retail division's (BTR) employee headcount by 8% in Quarter 3 (September – December) 2004. According to management, the decision had not been taken lightly, this step became necessary to ensure the future prosperity of British Telecom and especially British Telecom's Retail division, where the competition is hitting most.

FIGURE 1: EMPLOYEE REDUCTION IN BT 1984 – 2004



Source:BT.com 3rd November 2004

<http://www.btplc.com/Thegroup/Chartingourprogress/Numberofemployees/employees.CFM>

British Telecom Retail needed to reduce their employee headcount, thus seeking any efficient and ethical way in achieving this goal. British Telecom Retail had an operational team of one hundred and two (102) employees based in Chester on the second floor, where coincidentally British Telecom Wholesale (BTW) had a major management centre located on the third floor, known as British Telecom Wholesale Markets (BTWM). A deal was reached where British Telecom Wholesale Markets could acquire the employees and assets of British Telecom Retail located on the second floor at the Chester service centre. British Telecom Wholesale Markets also focussed attention on a centre in Leeds, where British Telecom Retail were willing to transfer eighty (80) employees with assets from British Telecom Retail into British Telecom Wholesale Markets.

On the 1<sup>st</sup> September 2004, the employees (182) of British Telecom Retail were transferred into British Telecom Wholesale Markets.

The organisation of British Telecom Retail is fundamentally and totally customer orientated, with employees dealing with all in British Telecom to provide a seamless end to end process, ensuring that customers deal with one person. In contrast, the operation pertaining to British Telecom Wholesale Markets is that of Process/Product centric.

In October 2004 senior executives within British Telecom Wholesale Markets, were approached by this author with the suggestion that in their effort to conform and

implement the British Telecom boards decision to further reduce costs (via headcount reduction), a research programme (to be used as part of this authors MBA dissertation) should be undertaken to investigate the issue of employee job satisfaction i.e. (Negative, Positive, Neutral), thus analysing the impact of the research conclusions as it may effect British Telecom employees in general and the employees of the identified research area (i.e. Those staff removed form BT Retail to BT Wholesale), in particular and the overall impact on British Telecom's policy of cost reduction and continued improvement of customer service satisfaction. British Telecom Wholesale Markets management agreed to the research proposal in October 2004.

## **1.2 Research Question**

There is a perception currently held by the senior executives of British telecom Wholesale Markets (BTWM), that the downsizing of British Telecom Retail (BTR) and the subsequent redeployment of staff, affected by the acquisition of British Telecom Retail employees, is having some form of impact on job satisfaction. Concluding that this perception identifies empirical data crucial to the analysis of the overall research programme.

Therefore the research question is:-

Has the downsizing of British Telecom Retail had an impact on employee job satisfaction ?

Through detailed examination, this dissertation will highlight the methodology and conclusions of the analysed research and its correlation between downsizing and employee job satisfaction. Using the academic tools at the disposal of the author, i.e. existing literature, case studies and surveys, the issues will be examined through:-

- a) the intellectual conclusions arrived at through the research
- b) Recommendations that can be practically applied. That is to say, the dissertation has clearly identified that there can be perceived a negative impact on the job satisfaction of the employees of British Telecom Wholesale Markets (BTWM).



### **1.2.1 The Impact of the Research Question**

The research question is as follows:-

Has the downsizing of British Telecom Retail had an impact on employee job satisfaction ?

#### **Aim(s) of the investigation:**

- To define and understand theory on downsizing
- To define and understand theory on job satisfaction
- To identify job satisfaction levels post downsizing by British Telecom Retail.
- To analyse the data of the case study
- To provide conclusions

### **1.3 Justification for the Research**

Based on the assumption that any organisational change, whether it be one of structure, culture or acquisition, will have some form of impact on areas within the organisation, must cause the assumption to be investigated and researched and therefore justified.

Whilst many senior executives engaged in large scale commercial activities may say 'so what !' or 'who cares !' Chief Executive Officers (CEO's) and directors of large companies should need to know and be reasonably reassured that the implementation of corporate change does or does not cause 'the law of diminishing returns'. Therefore, senior executives prior to implementing change should be able to quantify through the process of information and data ( as far as is reasonably practical), the impact of their decisions, particularly as it relates to productivity and the job satisfaction of their employees.

The British Telecom (BT) senior management of British Telecom Wholesale Markets (BTWM) requested this author (as part of his MBA studies) to conduct a detailed research and analysis relating to downsizing/merging of British Telecom Retail (BTR) and BT Wholesale Markets (BTWM) and any subsequent impact that may or may not affect the job satisfaction of those employees involved in the reorganisation.

## 1.4 Methodology

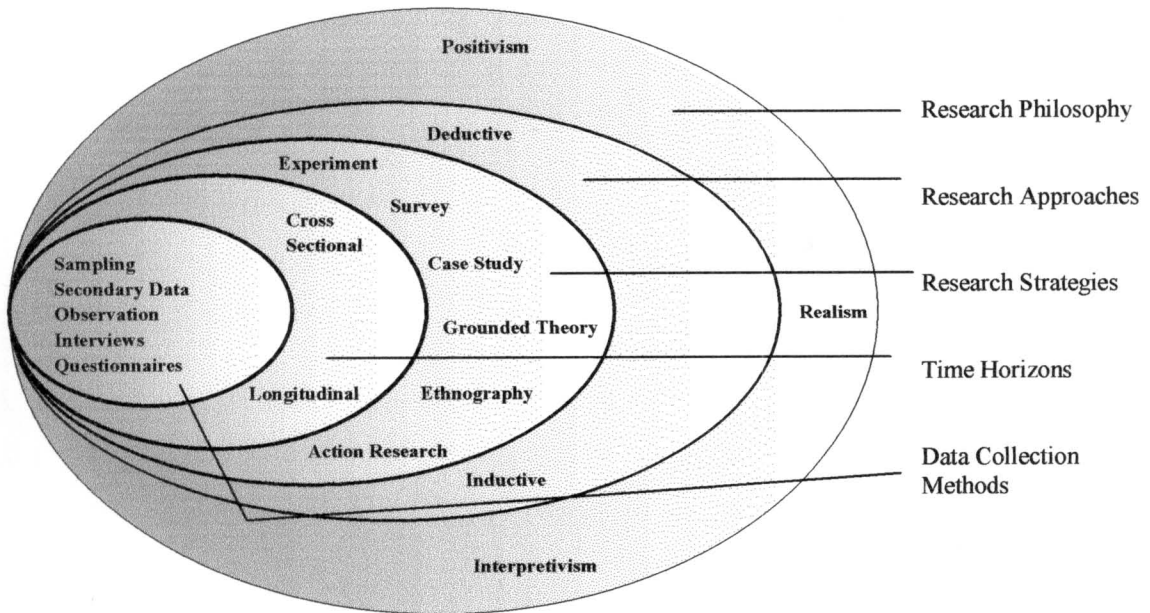


FIGURE 2: 'THE RESEARCH PROCESS ONION', SAUNDERS ET AL, 2003

Using the 'research process onion' (Figure 2, Saunders et al 2003) as a methodology to be undertaken for the qualitative project will be as follows: -

The research philosophy adopted for this project is that of interpretivism, reasoning that it is necessary to explore the subjective meanings, motivating peoples actions in order to understand.....'and it will allow focus on words, observations and meanings'. (Saunders et al, 2003 & Anderson, 2004).

A further research strategy to be utilised in the research project will be that of an inductive approach , as a small sample of employees will be used to gather data for the analysis.

Because empirical investigation will take place, the second strategy deployed is that of case study, within a cross-sectional time horizon.

The data collection will be that of electronic questionnaire/survey. This will be delivered via British Telecom (BT's)intranet (internal internet service) available to all employees and first line management involved in the organisational change.

## **1.5 Outline of the MBA Dissertation**

### **Chapter 1 – Introduction**

Chapter 1 is concerned with describing the background to the research, the research question, justification for the research, the methodology undertaken and a definition table.

### **Chapter 2 – Literature Review**

Chapter 2 aims to build a theoretical foundation upon which the research is based by reviewing the relevant literature.

It will also tell of knowledge already existing, which is clearly supported by authorities, evidence or logic and examine the management disciplines that have been highlighted by the research problem, namely, downsizing and employee job satisfaction.

### **Chapter 3 – Methodology**

Chapter 3 will illustrate and justify to the reader the tactics deployed to gather data relevant to the research problem. And detail how the data was collected, what tools were used and how the tools were administered.

### **Chapter 4 – Analysis of data**

Chapter 4 will present an analysis of the collected data by utilising frequent summary tables and figures of results.

### **Chapter 5 –Conclusions**

Chapter 5 will be a critical evaluation of adopted methodology, conclusions about the research question, conclusions about the research problem, limitations of the research and any opportunities for further research.

### **Chapter 6 – Epilogue**

Chapter 6 will describe any proposals to be made to British Telecom management.

### **Chapter 7 – Bibliography**

### **Chapter 8 – Appendices**

## 1.6 Definitions

### **Downsizing:-**

a form of organisational restructuring which aims to improve a company's overall performance by creating effectiveness, efficiency, productivity, and/or competitiveness. (Thornhill & Saunders (1998).

or

downsizing is essentially not to increase organisational performance, but the eradication of the workforce by "the planned eliminations of positions or jobs". (Cascio 1993)

### **Employee redeployment:-**

Redeployment is assigning or "transferring" employees to new work (internally or externally) (my brackets) : <http://www.asutax.asn.au/guides/redeploy.htm>

or

Redeployment means the relocation of a staff member named as 'surplus' into a suitable vacant position at the same or lower substantive classification level, for which that staff member is capable and able to perform and meets the selection criteria of the position. [http://www.swin.edu.au/corporate/hr/docs/policy\\_tafe\\_redeployment.pdf](http://www.swin.edu.au/corporate/hr/docs/policy_tafe_redeployment.pdf)

### **Psychological contract:-**

Rousseau (1994, cited in Hiltrop, 1996), defined the psychological contract of employment as "the understanding people have, whether written or unwritten, regarding the commitments made between themselves and their organisation".

### **Job satisfaction:-**

Job satisfaction/dissatisfaction refers to the positive/negative reactions people have to their jobs.

<http://www.coe.iup.edu/~emlevins/jobsat/>

## **1.7 Summary**

Chapter 1 introduces the reader to the outline of the MBA dissertation paper. The aim of which is to show why the problem has arisen by depicting the BT story to date.

The research question is derived from the problem which was identified in the background to the research section 1.2.

Chapter 1 raises the issue as to why the research question is justified and what methodical strategies were used to obtain the answers which were be deployed in the methodology as outlined in section 1.4.

Chapter 1 further highlights the structure of the MBA dissertation as outlined in section 1.5, followed on by a list of definitions of frequently used headings used within the context of the literature review.

## **Chapter 2 - Literature Review**

### **2.1 Introduction**

Chapter 2 aims to build a theoretical foundation upon which the research is based by reviewing the relevant literature, also highlighting knowledge that already exists. Such knowledge is clearly supported by authorities, evidence or logic and examine the management disciplines that have been highlighted by the research problem, namely, downsizing and employee job satisfaction.

### **2.2 Downsizing**

#### **2.2.1 Chronicle**

Downsizing is thought by managers to be an effective human resources strategy to increase global competitiveness. Labour costs, generally one of the ~~largest~~ costs for most organisations, can be reduced through downsizing. (Cameron 1994). In many cases the downsizing process includes outsourcing or subcontracting jobs previously performed within the organisation or even redeployment within another line of business within the corporation. Although organisations often consider that downsizing is necessary in order to remain competitive, this strategy does not always result in increased organisational profitability and performance.

In the early 1980s, organisational downsizing, or simply ‘downsizing’, became a management catch-cry of the 1990s which subsequently became known as the “downsizing decade” (Dolan et al 2000) changing tens of thousands of companies and governmental bodies and the lives of millions of blue-collar and white-collar workers. (Cascio 1993, Cameron et al 1993; Cameron 1994; Freeman 1994; Littler et al. 1997; Littler 1998; Batros 1999; Dolan et al 2000).

Although this literature has emerged from numerous disciplines and represents a range of management and organisational theories, organisational downsizing is still regarded by many academics and theoreticians as the most insidious, yet understudied

fad in the commercial world (Thornhill & Saunders 1998, Cameron 1994; Freeman 1994, Luthans & Sommer 1999).

### 2.2.2 Definition

Since downsizing is a contemporary term emerging from managerial media usage (Littler et al. 1997), it lacks precise theoretical formulation (Thornhill & Saunders 1998). Giving rise to a multitude of views on the meaning of downsizing such as:-

- strategy (Appelbaum et al 1997)
- elimination of jobs (Cascio 1993)
- strategy of choice (Cameron 1994)
- wonder drug (De Vries & Balazs 1997)
- phenomenon (Littler et al. 1997)

*Subsequently, numerous professional terms are used in replacement for organisational downsizing leading to bewilderment about the meaning, justification, drive, and rationale of downsizing.*

Cameron (1994) claims that many associated terms of downsizing may be considered rather euphemistic, in the sense that they attempt to give downsizing a more positive glow, such as ‘career change opportunity’ (within British Telecom it is known as ‘newstart’), ‘leaning up’, and ‘revitalising’ On the other hand, others appear to be rather exaggerated, including ‘suicizing’ and ‘re-exploitation’, or convey the message of suspicion and mockery, such as ‘corporate anorexia’ ‘dumbsizing’ and ‘corporate Alzheimer’s’.

Misunderstanding is derived from the large number of definitions appearing in the academic literature. At one end of the spectrum, Cameron (1994), a specialist on corporate downsizing incorporates a rather holistic approach in defining organisational downsizing as “a set of activities undertaken on the part of management of an organisation and designed to improve organisational efficiency, productivity and/or competitiveness”. At the other end of the spectrum, Cascio (1993), another authority, contends that downsizing is essentially not to increase



organisational performance, but the eradication of the workforce by “the planned eliminations of positions or jobs”.

Thornhill & Saunders (1998) contend that downsizing is a form of organisational restructuring which aims to improve a company’s overall performance by creating effectiveness, efficiency, productivity, and/or competitiveness.

Thornhill & Saunders’ definition of organisational downsizing appears to be pertinent for at least two reasons.

- (i) as a proactive or reactive restructuring strategy that may or may not result in the elimination of the workforce.
- (ii) as an objective within the corporate strategy to increase the organisation’s overall performance.

The definition given by Thornhill & Saunders (1998) as above, is the definition adopted for the purpose of the dissertation.

### **2.2.3 Why downsize ?**

A comprehensive analysis of the Thornhill & Saunders definition, in contrast with other academic views in its broadest sense, may be seen as a complete strategic transformation endeavouring to change that organisation’s design, its work processes, corporate culture, values, attitudes and mission (De Vries & Balazs 1997).

In its most narrow sense, downsizing can be observed as a set of activities introduced to make an organisation more cost-effective (De Vries & Balazs 1997).

Finally, De Vries & Balazs (1997) state that, in its most extreme form, downsizing may turn into an across-the-board cut in personnel .

Furthermore, the major reason for any downsizing endeavour is to make a company more competitive compared to its rivals (De Vries & Balazs 1997).

Cameron (1994) identified four major attributes of organisational downsizing

- (i) downsizing is an intentional set of activities requiring organisational action
- (ii) reducing the number of employees
- (iii) improving efficiency to contain or decrease costs, to enhance revenues, or to increase competitiveness
- (iv) influencing work processes and leading to work redesign

#### **2.2.4 Corporate Benefits**

A survey conducted by the Wyatt Company indicated that fewer than half of the respondents who were using restructuring as a cost reduction method actually met their cost reduction targets (McKinley et al., 1995). However, many managers reported that layoffs have a decidedly negative effect on their subordinates' productivity, morale and commitment to the company (Littler et al., 1997).

Surveys, report that key motivations for downsizing includes improving the bottom, line, productivity increase and better competitive advantages. Empirical research, whilst somewhat limited, provide mixed findings as to whether or not the aims of downsizing firms are achieved. Right Associates (1993), for example, report that of 140 downsizing Florida-based firms between 1992 and mid-1995:

- (i) 70 percent showed improved profits;
- (ii) 60 percent showed increased productivity;
- (iii) 57 percent showed greater revenues;
- (iv) 53 percent showed substantial declines in internal hierarchy; and
- (v) 48 percent showed enhanced workforce qualifications.

(cited by Williams 2004)

Williams goes on to state that 'A number of other studies, however, show downsizing is generally not a successful business strategy.'

As already discussed, the Thornhill & Saunders (1998) definition is identified as a major factor in affecting organisation efficiencies. In the short-term this is usually achieved through a reduction in head count. However, according to Kets de Vries &

Balazs (1996), a simple head-count reduction may be an excessively short-sighted business strategy, and makes the long-term outlook of the organisation questionable.

Hence according to Appelbaum et al. (1997), the decision to downsize is usually a strategic one. It is undertaken to reduce the waste and the inefficiency that builds up in an organisation over time. It is expected to improve business development and repositioning for future growth and success. From a business strategy perspective, Laszlo & Laugel (2000) state that strategies focused solely on downsizing, cannot help generate sustainable increase in shareholder value. Growth, as opposed to *layoffs, creates increased market value as growth and profit generally flow together* (Laszlo & Laugel 2000). In themselves, negative growth strategies cannot sustainably increase shareholder value as much as high growth strategies. There are some instances however, whereby growth does worsen shareholder value when the company is running earnings below the cost of capital. In these instances, one-time downsizing is warranted; however only solely for the purpose of achieve future growth (Laszlo & Laugel, 2000).

According to McCarthy and Millen (1994, cited by Rayburn & Rayburn 1998) cutting people does not, in itself, produce efficiency, and bears no necessary relation to greater customer satisfaction or improved business processes. They agree that these results can only be achieved with fundamental changes in business practices

2.2.5 Human Resource

From a Human Resource (HR) perspective in relation to downsizing, a “survivor” culture has emerged where in many instances, the employees have become demotivated by keeping their jobs. According to the Human Resource Management International Digest (2002), the anxiety felt by surviving employees, together with a loss of trust in the organisation, can result in reduced productivity.

Appelbaum et al (1998) found that feelings of being deceived, anger, and frustration, all contribute to the low employee morale and lost productivity. According to Appelbaum et al. (1998), the symptoms of an unproductive survivor culture are a lack of motivation, loyalty, trust and recommitment to the new organisation. Figure 2, below illustrates the interrelationship between psychological and behavioural reactions of employees throughout the downsizing process.

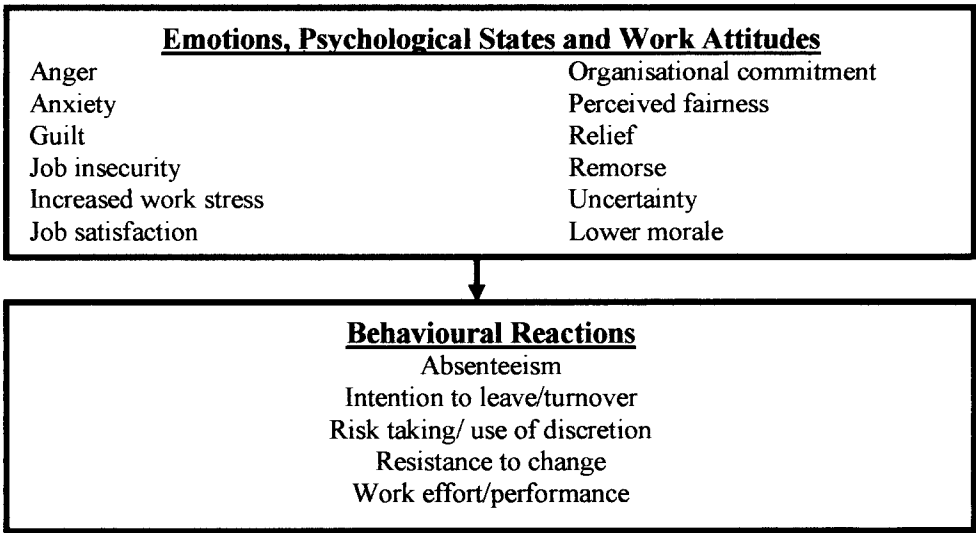


Figure 2.1: psychological and behavioural reactions: Taken from Thornhill and Saunders 1998

According to the Human Resource Management International Digest (2002), the period immediately after downsizing is crucial for establishing a new organisational culture. Employees need support from management to connect to their new environment, and be encouraged to look at the challenges ahead. The organisation will undergo a transformation including the need to build hope for the future. This can be achieved by investing in the purchasing of new plant and equipment, training and developing ways in which employees can see tangible evidence of management’s hope for the future (Kets de Vries & Balazs 1996).

### 2.2.6 Surviving Downsizing

Conceivably one of the most renowned reasons why the perceived benefits of downsizing are *not* achieved is the lowering of employee morale especially the employees who have survived the restructure. Several studies have shown that survivors often demonstrate resistance to change, fear, withdrawal and paralysis and downright awkwardness mainly due to increased cynicism and burnout as their workload tends to double or triple as their department size shrinks by half to two-thirds. (Mishra et al 1998).

The irony is that downsizing companies unwittingly destroy the qualities they need for competitive advantage, namely the trust and empowerment of their employees. (Mishra & Spreitzer 1997). Trust between managers and employees is critical for effective work relationships. Downsized organisations in particular depend on empowerment and trust as hierarchies are dismantled and fewer managers remain to monitor employee behaviour (Mishra et al, 1998).

Downsizing involves important conceptual and theoretical issues for organisations. Potentially, it generates a variety of psychological states in survivors, including performance, organisational commitment, job insecurity, anger, depression, work conflicts, and psychological intention to withdraw from the employing organisation. Much research and conceptual modelling focuses on the technical and procedural aspect of lay-offs: their impact on the work behaviours and attitudes of the survivors. Such approaches pay inadequate attention to the cognitive and emotional effects of downsizing (Kets de Vries & Balazs, 1997).

A great deal of research on organisational commitment, focuses on ways of enhancing commitment among employees. Research on commitment has two perspectives. The most prevalent approach to organisational commitment is one in which commitment is considered an affective or emotional attachment where employees share the organisation's goal and values. This construct has been approached from an attitude perspective, representing 'the relative strength of an individual's identification with and involvement in a particular organisation' (Mowday et al, 1979). Employees who are high in affective commitment will engage in behaviours that bind them to the

organisation, this results from receiving favourable treatment, such as career development. Commitment is regarded as a desirable attribute, and conceptualisation of it commonly links with turnover; employees who are strongly committed are those who are least likely to leave the organisation. (Kets de Vries & Balazs, 1997).

If survivors perceive that they are likely to be the victims of future lay-offs (redundancies) (my brackets) , the level of stress evoked by that perception could lead to depression and poorer work performance, as well as reduced motivation (Brockner et al, 1987).

Studies have shown that survivors of downsizing , exhibit levels of reduced work commitment and effort (Greenhalgh, 1982, King, 2000, cited by Esther et al 2002).

### **2.2.7 Redeployment**

As one part of British Telecom's organisation British Telecom Retail is downsizing another line of business within the organisation (British Telecom Wholesale Markets) may be growing. An alternative to employee layoff is redeployment from one line of business to another.

According to Maurer (year unknown) Redeployment can be linked to 'alternative placement', but it seems to be used most often within the organisation. Successful redeployment requires a sophisticated career management process so that managers and employees are aware of open positions. It also requires career assessment and development activities that allow people to get ready for positions. One company linked individual career planning to corporate objectives so that people could see how their plans fit into overall direction. It allowed individuals who wished to remain within the company to make career development and placement decisions that increased their chances of succeeding.

Several studies have shown that survivors of downsizing experienced lowered job satisfaction, organisational commitment, and greater stress (Brockner et al, 1987 & Davy et al, 1991) Two of these studies determined that a downsizing process which was perceived as "fair" had a positive impact on survivors attitude to their job and

commitment to their employer (Brockner et al, 1993 & Davy et al, 1991. Another study showed that blue-collar workers and technicians were more likely to perceive the downsizing process as unfair compared to supervisors and managers (Armstrong-Stassen 1992)

### **2.2.8 The Psychological Contract**

Rayburn & Rayburn (1998) state that ‘because of downsizing, employees soon realize that loyalty is only one way. Managers stress the importance of their loyalty to their organisation, but fail to exercise loyalty in their relations with employees. The likely result is demoralized employees fearful of losing their jobs’.

Contemporary thinking in psychological contract theory is fundamentally dominated by Rousseau. Rousseau disputes that the psychological contract is promise-based and, over a duration of time, takes the form of a rational model or plan which is relatively established and robust. Rousseau (1989) clearly distinguishes between conceptualisations at the level of the individual and at the level of the relationship, focusing in that the theory on individual employees' subjective beliefs about the relationship with the employment. Significantly, the employer and employee may not have the same opinion about what the contract essentially involves, which promotes feelings that promises have been broken, or, as it is phrased, ‘the psychological contract has been violated’. (Rousseau 1995)

Rousseau's conceptualisation of the psychological contract concentrates on the employee's segment of the contract, so can be termed a "one-way contract". More recently, academic work has focused on the employee's appreciation of the explicit and implicit promises regarding the exchange of employee contributions (e.g. effort, loyalty, ability) for organisational inducements (e.g. pay, promotion, security) (Rousseau, 1995, Conway & Briner, 2002).

Cited by Purcell(2000), “Rousseau (1995) Guest and Conway (1997) Coyle-Shapiro. and Kessler (2000) state, We know that often when employees believe or feel that their boss, or their firm, has broken or breached their expectations about work and career opportunities, they feel less committed to the organisation and job satisfaction sometimes falls too”.

## **2.3 Job Satisfaction**

Current employee resourcing practices often rely on the personal assessments of line management (Druker et al, 1996) which have the potential for inconsistencies, poor allocation decisions and hence, disillusioned employees through the violation of the “psychological contract” (Dainty et al, 2000).

Rousseau (1994, cited in Hiltrop, 1996), defined the psychological contract of employment as “the understanding people have, whether written or unwritten, regarding the commitments made between themselves and their organisation”.

Robinson & Rousseau, 1994; Hiltrop, 1996; Lester & Kickul, 2001, state ‘a breach, break or violation of the psychological contract will have negative impacts, such as reduced trust, job satisfaction and commitment to remaining with the organisation (or indeed industry as a whole) and the withdrawal of some types of employee obligation.’ Restructuring can cause this psychological contract to be broken.

### **2.3.1 Equity Theory**

J.S. Adams (cited in Milkovich & Newman, 1990) proposed that individuals compare their inputs and outcomes to those of some relevant other person in determining whether or not they are treated fairly. Whilst salary is only one aspect of reward, it is the most visible and the most easily modified.

Adams' Equity theory asserts that when people believe that they have been treated inequitably in comparison to others, they try to eliminate the discomfort and restore equity.

“Equity theory is based on the phenomenon of social comparison”. Adams argues that when people gauge the fairness of their work outcomes relative to others, any perceived inequity is a motivating state of mind. Perceived inequity occurs when someone believes that the rewards received for their work contributions compare unfavourably to the rewards other people appear to have received for their work. “When such perceived inequity exists, the theory states that people will be motivated to act in ways that remove the discomfort and restore a sense of felt equity” (Hunt 2002)

- Underpayment (perceived negative inequity) - perceived as a short coming of a reward or payment in relation to work inputs



- Overpayment (perceive positive inequity) - can produce feeling of guilt from getting more reward or payment for working

(Adams 1965) If the employee perceives inequity, she/he will act to correct the inequity: Lower productivity, Reduced quality, Increased absenteeism, Voluntary resignation.

### 2.3.2 Reward

Reward systems are associated with encouraging greater levels of performance beyond the minimum expected. Reward goes beyond a "fair day's work for a fair day's pay" (Tichy et al., 1982). Lawler (1991) advocates the careful design of reward systems to influence organizational effectiveness, and Tichy et al. (1982) place reward as one of the key Human Resource (HR) processes contributing to the strategic management of firms. Bell (2000) describes this in terms of a reward ideology, where reward is part of broader organisational strategies to encourage loyalty, motivation and satisfaction among employees. The desired employee behaviour is linked to organisational strategy and objectives, with the reward system one of the HR functions used to achieve the desired behaviours and therefore realise the organisational goals (Bamberger and Meshoulam, 2000; Bell, 2000).

However, reward systems must be carefully designed to be consistent with other features of the organisation. Lawler (1991) also discusses the need to ensure 'similarity' within the reward system as well as fitting the reward system with other organisational features. Without consistency within the reward system, with other HR processes and with the wider organization values, the organization will be "riddled with conflict" (Lawler, 1991).

Tichy et al (1982) and Lawler (1991) assert that another form of reward is promotion. In Vroom's (1964) analysis of job satisfaction he highlights that promotion cuts across all the factors contributing to job satisfaction. Within his Expectancy Theory, Vroom (1964) proposed that a promotion would be more rewarding to those who did not expect than those who did. Conversely, he also proposed that failure to receive a desired or expected promotion would have a greater negative effect on job satisfaction amongst those expecting the promotion than those who did not.

Reward systems are generally described as having two main elements, financial rewards and non-financial rewards (Armstrong and Murlis, 1998; Armstrong, 1996; Lawler, 1991; Tichy et al., 1982). The financial characteristics are customarily described as comprising of pay, pension and other benefits. Pay in this context means base level pay or salary plus any variable pay such as bonuses, performance related pay or share options.

Benefits cover items such as health insurance, company cars and such (Armstrong, 1996), where a tangible benefit is offered in place of monetary compensation. The non-financial aspects of reward are generally described in terms that derive from motivation theories, particularly those related to psychological and sociological needs.

The more common elements include recognition, achievement and personal growth or career development, all of which have foundations in needs-related motivational theories, and in particular Maslow's (1970) hierarchy of needs and Herzberg's (1966) motivation-hygiene theory.

### 2.3.3 Maslow's Hierarchy of Needs

As identified by Maslow (Mullins 2002, , Huczynski & Buchanan, 1991) people have a hierarchy of needs that must be fulfilled. Starting with the physiological needs, food, shelter, and safety, it climbs to the highest psychological need, which Maslow called self-actualisation. Maslow proposed that people could not be concerned about higher human needs for self-esteem and recognition, achievement, and self-realization, until the lower fundamental needs for survival, safety, and belonging have been met. As these basic needs are met, a growth need for self-actualization emerges. Maslow identified belonging needs in the workplace as a need for a place in the group, acceptance by work colleagues, a sense of togetherness in the face of a common enemy or any external threat, and a need for friendship and a sense of rootedness.

Maslow's hierarchy also suggests that individuals are motivated by what they want, rather than by what they already have. Only when the basic needs are met can the individual move to seek love and affiliation, then self-esteem, with recognition, reputation, and appreciation by others.

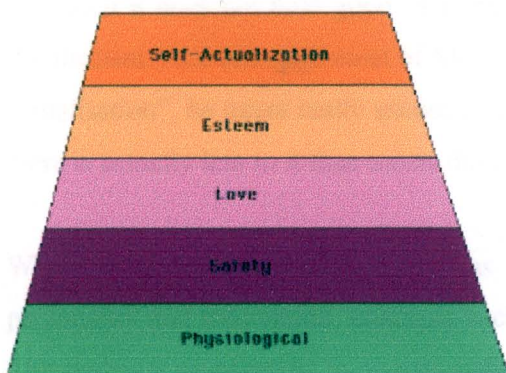


FIGURE 2.2: MASLOW'S HIERARCHY OF NEEDS

Many empirical studies have supported the motivational force of physical, safety, love, and esteem needs. But the same studies have failed to discover a hierarchical or proponent arrangement.

Maslow's theory of motivation does have a healthy emphasis on freedom of choice. *He believes that the ability to respond is what makes us fully human. With this in mind, one might wish that he had placed more emphasis on responsible, unselfish commitment to others.* For the past few thousand years, communication professionals have recommended that speakers concentrate on the needs of their audience rather than focusing on their own desires. In spite of the turned-in focus of the last decade, the advice still seems sound. (Author Unknown – April 2005)

“Where the model is useful is in identifying individuals who get stuck on the lower levels, and who because of early insecurity or later trauma, cannot afford to be concerned with the higher levels: but this is chiefly relevant to mental health professionals rather than teachers. It also, of course, draws attention to how very basic problems—such as being too hot or too cold—can inhibit motivation to learn at higher levels, but we did not really need Maslow to tell us that.

The major difficulty with Maslow is that although his hierarchy makes sense in general terms — if I am pre-occupied with physical needs, I am not usually going to be interested in self-esteem needs, for example — there are equally many occasions on which it does not hold good. It is excessively individualistic, and does not allow for altruism. And although most of Motivation and Personality is about defining “self-actualisation”, he never really succeeds in doing it. It is one of those models in which there is actually less to it than meets the eye!” (Atherton J S - 2003)

Whilst Maslow's theory was seen as an improvement of previous theories of personality and motivation, concepts such as self-actualization are somewhat vague. This makes it problematic to operationalise and test Maslow's theory. There is little or no proof that every person has the ability to become self-actualised. Further, in an extensive review of research using Maslow's theory, Wabha and Bridwell (1976) found little evidence for the ordering of needs that Maslow selected or whether in fact a strict hierarchy exists at all. Some people feel that the theory and its concepts have been overused.

### 2.3.3.1 Conclusion of Maslow

Finally academic references to Maslow can arguably be identified as outdated, *however, this author concludes that the Maslow et al of their generation are the* bedrock from which future managerial theoreticians launched their new theories and indeed continue to refer to them when making historical case points on contemporary commercial situations. (The same argument equally applies to Herzberg)

Whilst most of the research on job satisfaction (Seymour & Busherhof, 1991; Carr & Kazanowski, 1994; DeSantis & Durst, 1996) demonstrates that employees generally want stable employment, opportunities for promotion and satisfactory compensation, alternative research of employees (Daley, 1986; Emmert & Taher, 1992) explain that such things as flexible working hours, social satisfaction and the characteristics and behaviours of superiors also have an affect on employees' satisfaction levels.

The results of such studies support the idea that job satisfaction is a product of many different variables operating on the employee (DeSantis & Durst, 1996).

A large proportion of the research on job satisfaction has been dominated by the professed 'structural' or job related explanation of job satisfaction. Such explanation centres on the attributes of 'good' jobs as the fundamental reasons explaining employee satisfaction.

This slant suggests that two basic categories of job characteristics are of crucial importance in attaining satisfaction among employees

- (i) the job's internal rewards such as having diverse and challenging work
- (ii) and the job's external rewards such as fair compensation and fringe benefits (Hertzberg et al 1957; Hertzberg et al 1959).

2.3.4 Herzberg’s Two – Factor Theory

*Herzberg’s two-factor theory further develops Maslow’s model, in that he (Herzberg) splits the needs of individuals into two distinct groupings: extracts taken from Mullins, 2002, Huczynski & Buchanan, 1991*

Hygiene Factors	Motivation Factors
Economic: Including salary and superannuation	Challenging and meaningful work
Status: Including job position and privileges	Recognition for skills and achieving goals
Security: Including job security	Feelings of achievement
Interpersonal Relations: Including group activities and friendship	Levels of responsibility
Physical: Including health and safety issues	Personal growth opportunities
Job Knowledge: Including the availability of knowledge	

Table 2.1: Hertzberg’s Two – Factor Theory

Even though the Herzberg paradigm is well acknowledged, more contemporary exploration into job satisfaction has queried the effectiveness of the two-dimensional model and sought a more incorporated methodology. In particular, the studies by Kalleberg (1977), Lee & Wilbur (1985), Martin & Hanson (1985) propose that the characteristics of the employee, cooperate with the internal and external characteristics portrayed in the structural model.

2.3.5 Job Satisfaction Characteristics

The realisation that personal characteristics (i.e. age, education, gender and job security) have a distinct affect on job satisfaction suggests that job satisfaction may be more a result of the ‘fit’ between employee needs and work requirements on the one hand and the actual job characteristics on the other.

Blackburn & Bruce (1989), propose that ‘quality of work life’ factors have a comparatively minuscule impact on job satisfaction levels as compared to the ‘personal’ factors of age, length of service and education.

*Given that job satisfaction is an evaluation, it has both cognitive and affective components. It is important to know which of these is the more important. (Makin et al, 1996)*

Affective satisfaction is that founded on an overall categorical sensitive evaluation of the employee's job. This satisfaction focuses on their mood when working; i.e., whether the job induces a good mood and positive judgment while working. Positive feelings or a positive mood displayed by the employee may indicate job satisfaction. Equally, cognitive satisfaction is satisfaction that is established on a more logical and rational appraisal of the job conditions. Therefore, cognitive satisfaction is an assessment based on comparisons that do not rely on emotional judgments, but are evaluations of conditions, opportunities and/or outcomes (Moorman, 1993).

Social scientists have consistently established that job satisfaction varies with age for both men and women in an assortment of occupations (Rhodes, 1983, Lee et al., 1985, Weaver, 1980).

Based on a broad review of the literature on age, Rhodes (1983) concluded that overall job satisfaction is positively related with age. Older workers appear to demonstrate greater satisfaction with their employment than younger employees; however, this form of relationship is not clear.

Whilst many studies suggest a uniform correlation (Weaver 1980, Lee et al., 1985, Mottaz 1987), other studies (Herzberg et al, 1957, Kacmar et al., 1989) reported a U-shaped relationship. Another alternative is that of Kalleberg & Loscocco (1983) who suggest that satisfaction increases until age 40 then levels off, and then increases again when employees reach their late 50s. According to Doering et al (1983) significant variations frequently are found across age, with older employees tending to report higher job satisfaction than younger employees.

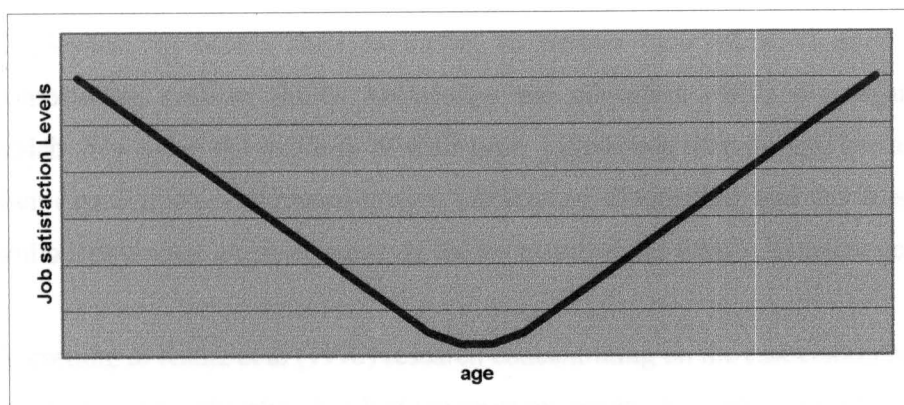


FIGURE 2.3: THE CURVILINEAR RELATIONSHIP BETWEEN JOB SATISFACTION AND AGE  
FOUND BY HERZBERG ET AL.

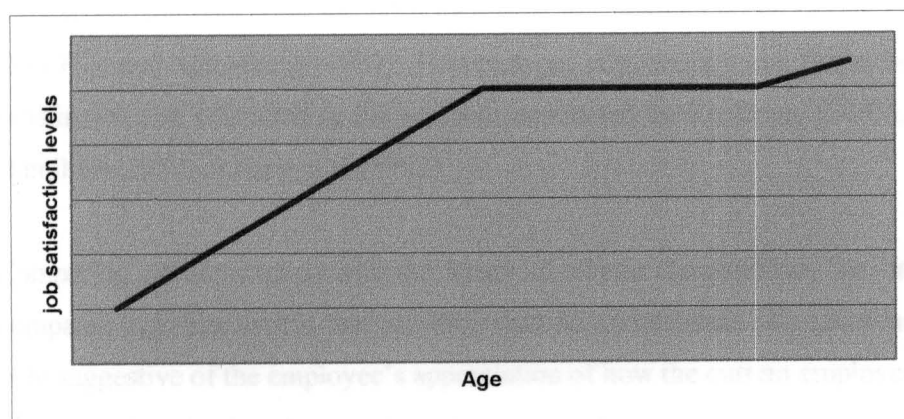


FIGURE 2.4 : THE LINEAR RELATIONSHIP BETWEEN AGE AND JOB SATISFACTION FOUND  
BY KALLEBERG & LOSCOCO (1983)

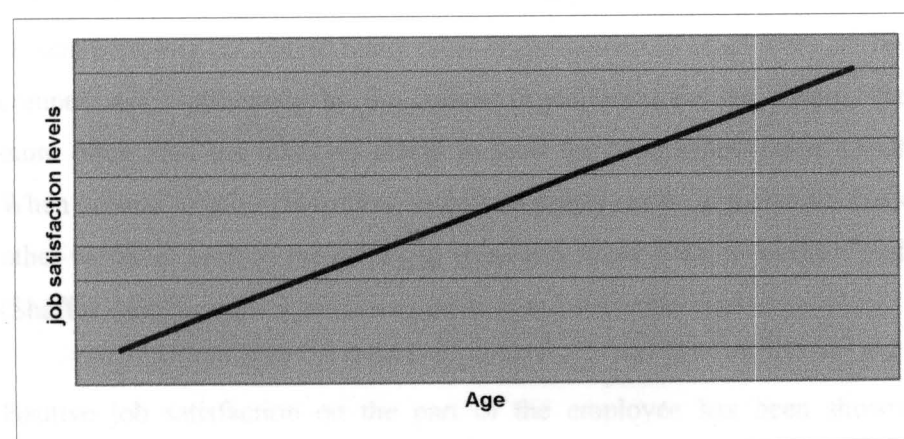


FIGURE 2.5: THE LINEAR RELATIONSHIP BETWEEN AGE AND JOB SATISFACTION FOUND  
BY WEAVER



Employees put across their aspiration to sustain their situation exercising their competences such as ability, knowledge and education within the organisation in which they spend the majority of their time. Employees who do not, or cannot, meet their expectations with regard to their job become dissatisfied, and this dissatisfaction without doubt has a consequence on the organisation for which the employee works.

According to Kuntz et al (1990) research concentrating on the association between job satisfaction and education has had inconsistent results. Research carried out by Quinn & Mandilovitch (1975), Glenn & Weaver (1982) reveals a positive relationship between job satisfaction and education. An inverse relationship between job satisfaction and education has been identified in research carried out by Campbell et al (1976) and Gruneberg (1980). However, no relationship was found between job satisfaction and education in the research conducted by Reudavey (2001), Wright & Hamilton (1979) or King et al (1982).

Comparing job satisfaction with the length of service the employee has had with the company will raise issues that are important to understand. This relationship is not only suggestive of the employee's appreciation of how the current employer views the employee, but also how potential employers can observe them.

According to Shaffer (1987) an employee who has been working for a number of years has qualities and experience that can make one a valuable asset, not only to their present company but also to many other organisations. If employees are honoured and compensated consistently by the current organisation for their work, the employee more often than not takes no action to look for other employment (Shaffer, 1987). When related to job satisfaction, length of employment can also be associated with other variables such as the ability to work and relate with co-workers and customers (Shaffer, 1987).

Positive job satisfaction on the part of the employee has been shown to reduce irregular attendance at work, the need for the replacement of workers, resignations and the occurrence of accidents. With such specific benefits, it is not surprising that

an employee's job satisfaction within an organisation is closely related to length of service (Lam et al 2001).

### **2.3.6 Job Security**

The most important element of job satisfaction according to Khaleque & Chowdhury (1983) is that of job security. Job security relates to the extent to which an organisation is perceived to provide steady employment for employees (Herzberg, 1968). Job security has also been defined by Greenhalgh & Rosenblatt (1984) , Borg & Elizur (1992) as an employee's expectations about continuity in their job, as well as concerns over a loss of enviable job features, promotion opportunities, present working conditions and long-term career opportunities. It is considered also that the perception of understanding of an employee's job security has increased over the past decade, due to employee reactions to major organisational change such as the situational uncertainty of employees' jobs resulting from globalisation, downsizing, takeovers or mergers and acquisitions (Brockner et al 1990).

Through any major organisational change such as buyouts, downsizing, globalisation, takeovers and/or mergers, the most endangered outlook of an employee is that of job security. For this reason, it is crucial for employers to understand how a change of organisational change intimidates the employee's psychological and cognitive emotions (Davy et al 1988). Evidence from research aids the standpoint that job security is one of many variables which is positively associated with job satisfaction (Arnold & Feldman, 1982, Oldham et al 1986).

### **2.3.7 Customer Service**

Employee job satisfaction will potentially relate to the employee job performance in relation to their level of service performance. In fact, the relationship between job satisfaction and performance has been extensively examined in the organisational behaviour and marketing literatures. In services, the connection between employee job satisfaction and accomplishment has been addressed in relation to the function of customer contact employees during service encounters (Babin and Boles, 1996,). Furthermore, Schneider and Bowen, (1985) have demonstrated the relationship between employee job satisfaction and customer perceptions of service quality.

Results from several studies indicate that satisfied employees are more likely to engage in activities that support customers (Locke and Latham, 1990). Schneider (1980) *found evidence that job satisfaction is a primary reason that employees deliver quality service.*

Furthermore, Bulgarella (2005) purports that several empirical studies display a positive association between employee satisfaction and customer satisfaction (e.g. Reynierse & Harker, 1992, Schmitt & Allscheid, 1995, Ulrich, Halbrook, Meder, Stuchlik, & Thorpe, 1991, Wiley, 1991).

As suggested by this plethora of findings, positive / negative changes in employee attitudes lead to positive / negative changes in customer satisfaction.

2.5 Conceptual Model

Thornhill and Saunders (1998) proffered a definition of downsizing as it relates to the re-organisational structuring within British Telecom. They asserted that organisational restructuring aims to improve a company’s overall performance by creating effectiveness, efficiency, productivity and / or competitiveness (see chapter 2 of dissertation). A further outcome of the Thornhill and Saunders definition of downsizing identified its pertinence as not only being a proactive or reactive restructuring strategy that may or may not result in the elimination of the workforce, but equally identified the definition as an objective with a corporations strategy to increase that organisations overall performance.

Applying the Thornhill and Saunders definition to the practical application of downsizing in the British Telecom retail, did confirm the emotional, psychological and work states and attitudes of anger, anxiety, guilt, job insecurity, increased work stress, job satisfaction, organisational commitment, perceived fairness, relief, remorse, uncertainty, and lower morale. Each of these reactions when taken in isolation can be equally applied if downsizing does not occur, however, when an organisation (the corporate body) decides as a matter of policy to introduce downsizing as a method of rationalisation/cost control, all of the mentioned reactions come in to play at the same time.

<u>Emotions, Psychological States and Work Attitudes</u>	
Anger	Organisational commitment
Anxiety	Perceived fairness
Guilt	Relief
Job insecurity	Remorse
Increased work stress	Uncertainty
Job satisfaction	Lower morale

FIGURE 2.6: PSYCHOLOGICAL STATES

When these reactions occur simultaneously Thornhill and Saunders (1998) also identified that behavioural reactions of absenteeism, intention to leave the company (turnover), higher risk taking, the increased use of discretion, resistance to change,

work effort and performance may all be displayed as a negative reaction to the downsizing decision.

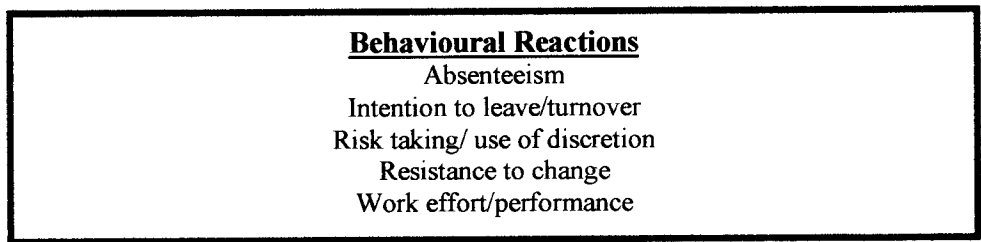


FIGURE 2.7: BEHAVIOURAL REACTION

Whilst Thornhill and Saunders (1998) do not specifically identify the issue of job satisfaction as an issue in its own right, but rather place it as item six of their list of twelve psychological states, Spector (1997) identifies the research format for job satisfaction in under five research headings i.e. Job Satisfaction Survey (JSS), Job Descriptive Index (JDI), Minnesota Satisfaction Questionnaire (MSQ) and Job Diagnostic survey (JDS). Job satisfaction survey (JSS) links the Thornhill and Saunders definition of downsizing and the behavioural reactions leading from that definition to Spector’s JSS within the issue of job satisfaction and the behavioural wants which stem from the comparison of the intellectual concept of organisational decision making as they relate to the issue of downsizing, that is to say the conceptual model identified in chapter 2.5.1 clearly confirms that both Thornhill and Saunders and Spector when brought together prove through the research data accumulated that the behavioural reactions on the negative side are absenteeism, lack of loyalty, lack of commitment, the lowering of morale, reduced work effort and performance. On the positive side appear to produce greater loyalty and commitment, improvement to morale and a willingness to accept change.

The research identified the above behavioural reactions based on Spector’s assertion that Job satisfaction and the behavioural wants of individual employees fall within the headings of Promotion, Pay, rewards, Benefits, supervision, conditions, colleagues, communications and the job undertaken (facets, see table 2.1), culminating with an overview that enables a conceptual model to be identified in four segments

1. Downsizing occurs
2. The behavioural reactions from that decision

- 3. The definition of job satisfaction and behavioural wants
- 4. Behavioural reactions identified in the research questionnaire.

Pay	Promotion	Conditions
Job	Reward	Benefits
Colleagues	Supervision	Communication

**Table 2.2: facets of Job Satisfaction**

**2.5.1 Model Design**

By taking Thornhill and Saunders (1998) model (Figure 2.1, page 24) as the first two steps in the formation of a new model, the consequence will be that the reactions displayed by employees will follow that of psychological states created from such news as ‘downsizing,. Thus, all new adoptions to the conceptual model will follow in a downward trend. Reactions will be displayed by employees which in turn will link to several compartments of what is ‘thought’ as job satisfaction.

As there are so many definitions of what job satisfaction is, a think cloud is added to Spector’s (1997) culmination of facets and these facets may or may not be an employees definition of job satisfaction. Relating to spector’s (1997) use of facets as a gathering of different aspects of job satisfaction allows the encircled compartments of job satisfaction to be displayed in a ecliptic bubble. These are facets of job satisfaction which are accepted as behavioural wants by employees.

The next stage of the new model is to elude to what happens to an employees attitude, if the behavioural wants are not met. The final stage depicts more behavioural reactions that may occur if one or more of the job satisfaction facets are not met.

Finally, by fusing Thornhill and Saunders (1998) model, utilising Spector’s (1997) description of what job satisfaction is and creating a new behavioural reaction table, the delivery of a conceptual model is presented in section 2.5.2.

The conceptual model will be used in an attempt to answer the aims of this dissertation.

1. To define and understand theory on downsizing
2. To define and understand theory on job satisfaction
3. To identify job satisfaction levels post downsizing by British Telecom Retail.
4. To analyse the data of the case study
5. To provide conclusions

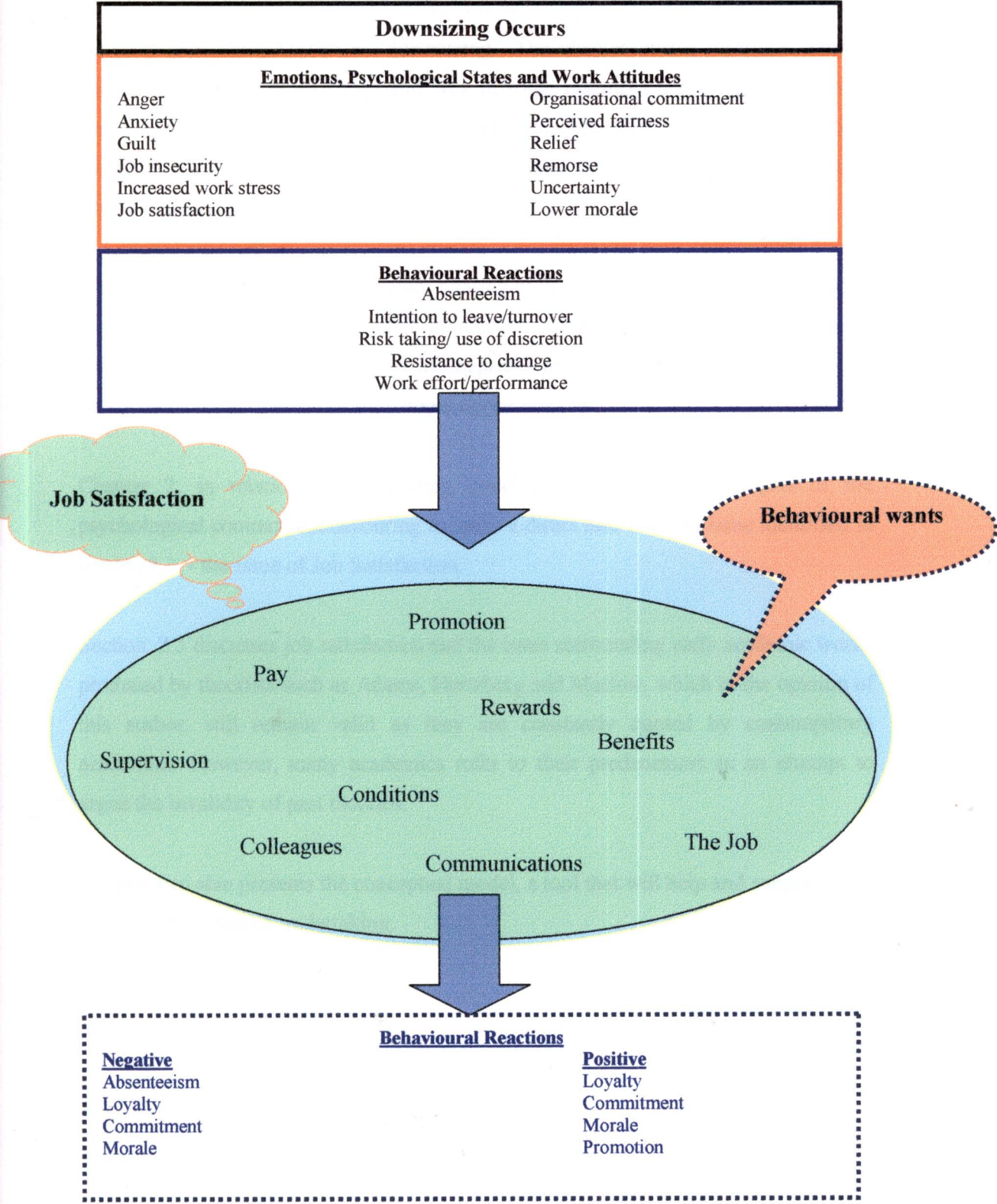
Firstly the model has answered aims 1 and 2, that is to say that the model has drawn this author to the relevant academic literature on downsizing and job satisfaction.

Secondly, the model has allowed for this author to ascertain a definition of job satisfaction permitting question in order to establish job satisfaction levels post downsizing (aim 3).

Thirdly, the conceptual model will play a major role in identifying what reaction to specifically look for from the findings of the questionnaire

Finally, The conceptual model will allow the conclusions to make reference to authorities from the literature review.

2.5.2 'The conceptual model'





## **2.6 Summary**

Chapter 2 commences with an identification and a chronicle of the first issue within the issue generically known as ‘downsizing’. The chapter further discusses what is meant by the term ‘downsizing’ and why in some instances it may be a successful business strategy in order to establish corporate objectives e.g. cost savings and identifies why the issue of downsizing may have become a management fad as opposed to an objective analysis.

Through reading the existing literature relating to the concept of downsizing it is clear that there is always human resource implications attached to the implementation of such a policy, hence, section 2.2.5 of chapter 2 endeavours to communicate to the reader, what those human resource implications may be.

Chapter 2, in relation to downsizing concludes with a brief synopsis of the psychological contract, endeavouring to make a direct link with the issue identified in section 2.3 - the issue of Job Satisfaction.

Section 2.3 discusses job satisfaction and the issue surrounding early academic works produced by theorists such as Adams, Hertzberg and Maslow, which in the opinion of this author, still remain valid as they are constantly quoted by contemporary academics. However, many academics refer to their predecessors in an attempt to argue the invalidity of past theories.

Chapter two also presents the conceptual model, a tool that will help and support this author in his research undertaking.

## **Chapter 3 - Methodology**

### **3.1 Introduction**

Chapter 3 will outline and discuss the most suitable research instrument to collect and analyse the data required to answer the research question and the objectives set out. It will also discuss, ethical considerations, sample size and limitations of the study to provide a valid and reliable conclusion that is free from false assumptions.

## **3.2 Research Onion**

The research onion paradigm set out by Saunders et al (2003) (chapter 1) can be used with the conceptual model (chapter2) to help with the construction of an applicable research methodology.

### **3.2.1 Philosophy**

The outer layer of the onion suggests three philosophies that are relevant to the research of management.

- (i) Realism
- (ii) Positivism
- (iii) Interpretivism.

#### **Realism**

Realism is a philosophy that encompasses elements of both positivism and interpretivism as it allows for the study of specific social issues whilst trying to *understand the impact of wider social forces*.

#### **Positivism**

Positivism provides theories and is the viewpoint of the natural science. However, it *does not account for socially different organisations and the perceptions of the employee within them*.

#### **Interpretivism**

Interpretivism is more applicable to research of social issues as it enables the researcher to focus on the exclusive matter within an organisation and examine the complexities that often surround corporations. This unique approach to research prevents the interpretivist approach from having generalisability within the context of wider research.

Research in general, however, does not fall under any one particular philosophical stance and business research requires a mixture of all three approaches to achieve unfailing and bona fide results.

Whilst for the purpose of this study an interpretivist approach is the most plausible, as the research question aims to study the effect of downsizing, on employee job satisfaction.

The proposed conceptual model is designed to ascertain the reality of what is happening in BT and to identify the underlying reasons behind it. Although this is broadly a social issue, it can also be argued that the availability of quantitative data would advocate the use of realism. Therefore a combination of both approaches should be applied in order to establish an acceptable balanced view.

### **3.2.2 Approach**

The research question is somewhat inductive in nature, as data will be collected about the social; issue that has affected BT. An inductive approach offers the researcher a method of collecting qualitative data, a flexible structure in which to alter the intended path of the research as new findings present themselves and the freedom to investigate an organisation without the need to generalise. Easterby-smith et al (2002) state ‘that in order to produce a hypotheses within the research question a deductive approach must be taken’. As the approach for this study is inductive, a dissertational hypothesis will not be presented.

### **3.2.3 Strategy**

To answer the research question (Has BT’s Downsizing had an impact on employee job satisfaction ?), several different strategies should be analysed to find the one that is most applicable. As this research was intended for employees to voice their views on downsizing and to express their views as to how they are satisfied or not in their roles, the survey approach is arguably the most appropriate strategy as case studies also include surveys and other sources of information.

### **3.2.4 Time-frames**

There are two types of time-frame

- (i) longitudinal
- (ii) cross-sectional

The former investigates issues over a period of time. The latter investigates at a given moment in time. That is to say longitudinal has a time-frame longer than that of cross-sectional.

Access to the organisation is also critical if the research question is to be answered reliably. As this author/researcher is an employee of the organisation in question, the role of practitioner will be adopted, which in turn means that the research will be conducted in a familiar environment and will be further enhanced by first line supervision understanding.

### **3.3 Triangulation**

Triangulation refers to the use of different data collection methods within one study in order to ensure that the data tells you what you *think* they are telling you. (Saunders et al 2003, Wisker, W, 2001)

Triangulation also identifies a deployed method that confirms the use of primary data which is supplied from the findings of the questionnaire and highlights secondary data found in the literature review or data supplied by other parties.

### **3.4 Adopted Strategy**

#### **3.4.6 Questionnaires**

This author chose questionnaire research method as the primary research tool for the research project.

Whilst Fisher (2004) in his work suggests that the detailed description and account of advantages and disadvantages of questionnaires can be found in Chapter 4 this is not quite so. As Fisher demonstrates his subjective bias by not so much contrasting the advantages and disadvantages of the use of questionnaires but makes a quantum leap in to their construction and design. Therefore this author looks to Saunders et al (2003) for academic support in relation to mounting an intellectual case for the introduction and use of questionnaires in the chosen research project.

Chapter 10 of Saunders et al (2003) sets out suggested rules for the collection of primary data using the questionnaire technique:-

The researcher should understand the advantages and disadvantages of questionnaires as a data collection method and at the same time be aware of a range of self-administered and interviewer-administered questionnaires. The researcher should also be aware of the possible need to combine techniques within the research project and be able to select and justify the use of appropriate questionnaire techniques for a variety of research scenarios. Equally those research scenarios should take into account the ability to design, pilot and administer a questionnaire to answer research questions and to meet objectives. Finally the research author should be able to take appropriate action which enhances response rates and ensures the validity and reliability of the data collected, whilst at the same time applying the knowledge, skills and understanding gained throughout the research undertaking.

In conjunction with the advice of Saunders et al (2003) in relation to the use of questionnaires, and following an analysis of time constraints relating to other research method options, the decision to use the survey technique was made based on the conclusion, that it would be possible to design individual questionnaires that would be

clear in the layout of the questionnaire form, have a lucid explanation of the purpose of the questionnaire and could be carefully planned and executed through rigorous administration thus demonstrating that the data contained within the questionnaire would be valid and justifiable therefore enabling the researcher, within a realistic timescale, to arrive at objective conclusions.

### **3.4.7 Secondary data**

Whilst conducting the literature review (Chapter 2), this author identified that 'downsizing' has influence on other areas within the organisation i.e. Absenteeism. Through analysis of secondary data, British Telecom has information pertaining to various parts of the literature, hence, secondary data was sought in an attempt to either concur or dismiss the literature appertaining to the subject being investigated.

Thus taking into account Saunders et al (2003) who assert that if the researcher requires data quickly, secondary data may be the only viable alternative Using secondary data within organisations can have the advantage and because it has already been collected it provides an unobtrusive measure.

Equally Saunders et al (2003) argue that secondary data may have been collected for a specific purpose that differs from the research in question and may or may not be inappropriate to the research issue. Saunders et al further stress that if there is the possibility that the data is inappropriate then the researcher may need to find an alternative source or collect the data oneself.

Thus the use secondary data was sought from within the files of British telecom relating absenteeism and customer service, making this piece of the study confidential.



### **3.5 Questionnaire justification**

Job satisfaction is commonly measured from the results of interviews, surveys or questionnaires, deployed to employees in question. To gain any reliable results from interviews would take time, as planning would be required and free time would be relied upon from both the researcher and the employees.

As already discussed in the methodology, due to time limit constraints the research is cross-sectional. Therefore it can be safely concluded that the most reliable results have been extracted from the results of a questionnaire/survey.

The research format further identifies four job satisfactions which are as follows:-

- (i) Job Satisfaction Survey (JSS)
- (ii) Job descriptive Index (JDI)
- (iii) Minnesota Satisfaction Questionnaire (MSQ)
- (iv) Job Diagnostic Survey (JDS)

Many others are in existence and there are also custom built questionnaires.

For the purposes of this study the medium to be undertaken as the research instrument will be the Job Satisfaction Survey (JSS).

#### **3.5.1 Scale rejections**

Smith, Kendall & Hulin (1969) profess that their Job descriptive Index (JDI) is the most commonly used for the scale among organisational researchers. However for this research, the author deems the questioning to be too long and too complicated to be answered easily by the participants.

The Minnesota Satisfaction Questionnaire (MSQ) is another scale favoured by researchers, this questionnaire is one hundred (100) questions long and this author feels that this is not only too long to answer but too much data to be analysed for the purposes of this research project.

The Job Diagnostic Survey (JDS) was developed to ascertain the effects of job characteristics on people. As the research is aimed at satisfaction and not characteristics, the JDS was also eliminated.

**3.5.2 Job Satisfaction Survey (JSS)**

The Job Satisfaction Survey (JSS) assesses nine facets of job satisfaction, along with an overall assessment arriving at a score. Table 3.1 lists the nine aspects along with a brief description.

Components	Description
(i) Pay	Compensation for the job done
(ii) Promotion	Opportunities for promotion
(iii) Supervision	Immediate reporting line
(iv) Benefits	Extras that the company awards i.e. company car
(v) Rewards	Rewarding for performing well
(vi) Operating Conditions	Rules, procedures and processes
(vii) Colleagues	Co-workers (non reporting line)
(viii) The Job	The type of work that is done
(ix) Communication	Communication from within the organisation

**Table 3.1 Components from JSS**

The Job Satisfaction Survey (JSS) can yield ten scores. Each of the nine subscales can produce an individual facets score by combining responses to its four items, thus equating to a total of 36 questions. The questionnaire is derived from the JSS, however surrounding the 36 questions are other questions i.e. Age, gender etc that will allow easy segmentation if required. The questionnaire can be viewed in appendix 2.

Table 3.3 demonstrates which questions go with which component.

Components	Question Numbers
Pay	8, 17r, 26r, 35
Promotion	9r, 18, 27, 40
Supervision	3, 19r, 28r, 37
Benefits	11r, 20, 29, 36r
Rewards	12, 21r, 30r, 39r,
Operating Conditions	13r, 22, 31r, 38r
Colleagues	11, 23r, 32, 41r
The Job	15r, 24, 34, 42
Communication	9, 25r, 33r, 43r

**Table 3.3 Subscale contents**

The respondents were asked to give a mark ranging from as follows:-

Disagree very much (Score = 1), Disagree Moderately (Score = 2), Disagree slightly (Score = 3), Agree slightly (Score = 4) Agree Moderately (Score = 5) and Agree very much (Score = 6).

The question numbers marked with ‘r’ are to indicate a reverse score, i.e. ‘Agree very much’ receives a score of 1 and ‘Disagree very much’ receives a score of 6.

### **3.6 Questionnaire deployment**

In August 2004 the General Manager of British Telecom retail decided that two centres (Chester and Leeds) were to be transferred in to British Telecom Wholesale Markets from the retail departments.

#### **3.6.1 Invitation**

Following the design of the questionnaire (tailor made for target area), the target area was composed of 182 people (total population of the downsizing exercise). The employees concerned were identified through a process which ascertained their organisational employment area.

Each line manager has an operational unit code (OUC i.e. MBGF12 (a budget code)). The data held under this budget code communicates information relating to who is employed by that OUC. Access to the relevant operational unit codes (OUC's) were supplied to this author by the Human Resources Department responsible for the downsizing areas. Once identified, an invitation (appendix 1) was sent to all within the downsizing population area in November 2004 (via a blanket dispatch) using British Telecom's internal electronic mailing instruments, which described the purpose of the invitation, also asking the employees concerned if they would participate by completing a questionnaire. The employee population identified for the purpose of survey was one hundred and eighty two (182), representing the total number of employees that were involved in the downsizing area of British Telecom Retail. One hundred and Two (102) of these people were pertaining to the Chester office and Eighty (80) to the Leeds office.

#### **3.6.2 Pilot Study**

To test the reliability of the Job Satisfaction survey (JSS), a pilot questionnaire was supplied to 14 people on November the 12th 2005. The survey was piloted for five (5) days, with the results being handed back and collated by November 18th. The rationale for the pilot study was to clearly identify that the questionnaire in use (Job satisfaction survey) was the correct form of administration for the research project.

A review of the questionnaire with all concerned (the 14 people) was carried out on

the 23<sup>rd</sup> November 2004 via a telephone conference in order to establish any concerns by the employees relating to

- a) the understanding of the actual questions
- b) to establish if any further questions needed to be added.

The findings of this review concluded that the Job Satisfaction Survey (JSS) questionnaire was appropriate for the purpose of this research project and did not require any change.

### **3.6.3 Questionnaire**

The questionnaire was distributed to the target audience on 12<sup>th</sup> December 2004, via British Telecom's internal electronic system. The electronic mail communication system included a hyperlink to British Telecom's electronic survey (e-response). Individuals were directed to the questionnaire via 'a click on method' to the hyperlink. One hundred and eighty two (182) employees (those identified in the downsizing area) were asked to participate in the full survey in relation their job satisfaction i.e. One hundred and two in the Chester office and eighty in the Leeds office. All employees affected were individually supplied with the questionnaire via the electronic medium and asked to complete the questionnaire and return by 12<sup>th</sup> January 2005.

The invitees were asked to chose an answer from a drop-down list made available to each question. (Appendix 2 shows the questions and choice of answers).

The questionnaire was partly created by this author and partly taken from The Job Satisfaction Survey (JSS) presented by Spector (1997)

Questions 1 – 7 were questions concerning the typology of the invitee, whilst questions 8 – 44 were extracted from the Job Satisfaction Survey (JSS).

The objective of questions 45 – 52 attempted to gain answers that would align with the behavioural reaction asserted by Thornhill and Saunders in section 2.5 of chapter 2 of this dissertation.

### **3.6.4 Reliability**

To apply the test of reliability (Wisker, G, 2001), this project should, when submitted to independent research analysis, enable it to be considered reliable through another researcher, carrying the same research activities with an identical group. Whilst the independent research is likely to replicate the findings, the findings need not be identical.

### **3.6.5 Validity**

Validity is absolutely central to the whole issue of the cohesion in the research programme between conceptual framework methods, questions and findings (Wisker, G, 2001). If the methods, approaches and techniques neatly fit with, and measure the issues that have been the subject of research, then the findings are likely to be valid. Equally, if inappropriate methods have been used, the findings will either be less likely to be valid or totally invalid e.g. according to Wisker (2001), if a researcher wished to chart behaviour and change in a volatile situation, it would be very inappropriate to do so with documentary analysis of legal documents only loosely connected to the change, and then to make a quantum leap from these statements about the change at the same time it would also be inappropriate to rely on a poorly developed questionnaire that asks simple 'yes' or 'no' answers to decide complex and changing patterns of emotional response. Wisker concludes that human – orientated issues need to be captured through a combination of qualitative and quantitative data vehicles and/or through qualitative analysis in context.

### **3.7 Rejected Methodologies**

Having discussed Saunders et al's research process and the layers that have been chosen to be deployed in order to answer the research question (has the downsizing of British telecom retail had an impact on job satisfaction ?), it is also important to note the rejections and why they were deemed unsuitable for this research. The rejections are as follows:-

#### **3.7.1 Primary Data**

The research strategy chosen was that of case study. This project design and the chosen research method was decided upon through the assistance of academic analysis as highlighted by Fisher (2004) and Saunders et al (2003). It was suggested that most commonly used research methods within the case study strategy are as follows:-

- Interviews
- Panels, including focus groups
- Observation, including participant observation
- Documents
- Questionnaire

#### **3.7.2 Interviews**

Fisher (2004) asserts that interviews can be conducted in an open or structured manner that can be easily explained. He further identifies that the idea of an open interview is straightforward in that the interviewer engages in formal conversation with the respondent about a particular area of interest and that the interviewer may steer the conversation by picking up on the cues and themes raised by the respondent, concluding that the respondent leads the direction of the interview.

Fisher (2004) also holds that pre coded interviews in contrast to open interviews are controlled by the researcher and in that in these interview the interviewer generally reads from a prepared script and is expected not to deviate from it. The questions are also organised in to a logical sequence and for most questions the respondent is given a series of options and asked to chose a given number of them.

Semi-structured interviews are in between these two extremes in that, generally the interviewer creates a schedule to remind them of the main issues and topics that need to be covered by the respondent.

This author rejected the interviewing option on the grounds that, the initial stage of the interview method required six points relating to the planning of the interview techniques, which were as follows:-

- Sort and list areas of questioning
- Edit and prioritise questions
- Consider the analytical method to be used
- Deciding which questions should be open or closed
- Placing questions in sequence
- Checking the questions in relevance to the research topic

And that the second stage required a further eight point checklist as follows:-

- Script the initial questions
- Check that the language was unambiguous
- Prepare a schedule of interviews
- Decide the recording method
- Create and design pilot interviews
- Selection of interviewees
- Negotiate access
- The arrangement of times and places for the interviews

(Fisher 2004)

All of which convinced the author that timescales (to both researcher and participants in Chester and Leeds) available did not permit this strategy.

### **3.7.3 Panels**

Panels were identified as common research method as once again according to Fisher, they can be used in an open or a pre-coded manner. In open mode they also take the form of focus groups i.e. groups of people are brought together and have free flowing albeit focused discussion on a particular topic (Gordon and Langmaid 1988) initially this was chosen as one of the preferred research methods. However, a corporate



decision was made by executives by the industry under study (British telecom) not to confirm access by the researcher through panels / focus groups. Therefore this method was rejected.

#### **3.7.4 Observational Research**

It can be reasonable argued that an observational research method had already been applied to the research topic 'job satisfaction' in that the researcher through un-structured observation had watched and listened to the management, employees and customers who relate to the issue of job satisfaction versus quality control. Therefore this author deemed un-structured observation and the checklist technique of semi-structured observation to be inappropriate for a further research method.

#### **3.7.5 Documentary Research**

In relation to documentary research this method was not totally rejected by the researcher and whilst Fisher argues that research in documentary material takes an open and pre-coded form in an open approach to text and documents, and that the researcher may be trying to understand e.g. how rhetorical techniques are used to try and persuade a point of view, other open analysts may also be looking for common narrative structures that are shared by similar documents (Silverman 1993). Equally and arguably the documentary research method was used to some degree by this researcher in that documentary material relating to Downsizing, Job Satisfaction, Absenteeism and Customer service has been produced.

#### **3.7.6 Credibility**

Having established the most suitable strategy to conduct the research, the credibility of the findings must be examined. The reliability of any research is dependant on its repeatability and it is for this reason that the author must remain free from any bias and conduct the research in a stable and comparable way. (Cassell and Syman 1995).

### **3.8 Limitations**

This author recognises that because of the cross-sectional time horizon, and the use of only two centres, limits the findings to only one area of British Telecoms, retail division, in that the two centres comprising of 182 employees is only a small percentage of British Telecom retail that has been the subject to a downsizing exercise.

From a human resources perspective, this author was instructed not to use a line of questioning that involved personal data i.e. marital status and ethnic origin, as it was deemed not to be an official British Telecom survey. The author respected this directive and did not apply any personal enquiries to the questionnaire.

This author also recognises that, as a Chester based manager, an influence could be had on the employees based in Chester. In that this author could more easily generate enthusiasm in completion of questionnaires.

Further limitations of the methodology are influenced by the following factors:-

- Master of Business Administration (MBA) programme undertaken on a part time basis
- The deadline for submission is 27<sup>th</sup> May 2005
- The deadline for survey completion was end of December 2004
- British Telecom required a speedy delivery of findings and any acceptable conclusions.

### **3.9 Ethics - confidentiality**

Easterby-Smith et al (2002) assert that privacy and confidentiality are of the utmost importance.

This author, as a previous manager known and trusted to all 182 employees, gave the invitees a guarantee that all who did complete and return the questionnaire would be given anonymity to the management team who would gain sight of this dissertation and the findings of the questionnaire.

The objectives of the research programme were described verbally to the majority of employees. The employees based in Chester were given a presentation, whilst the employees based in Leeds were asked to attend an audio call in order for this author to demonstrate the ethics involved. In that the questionnaire was for this authors MBA dissertation and in no way was it connected to any of British Telecom's 'in house' job satisfaction surveys (Employee Engagement Index).

Access to the forthcoming publication of the results of the survey, presented in this dissertation have been promised to all who participated in the survey.

3.10 Summary

Chapter 3 discusses the methodology of the research and acquaints the reader with the method of data collection relating to the research question, as displayed through “the research onion” as described by Saunders et al (2003), and further identifies how the acknowledge paradigm will be used.

Chapter 3 further depicts the deployed philosophy as chosen by this author for the purpose of this research project and discusses the approach to be taken, the strategic position and the time frames of the study. Concluding with a methodology analysing the data from the primary research undertaken and triangulated.

Section 3.5 of chapter 3 informs and reports on the methodologies that were rejected and the reasons and justification for such rejections.

Finally, chapter 3 concludes with :-

- a) validation of the questionnaire to be used and comments as to why alternative questionnaires were not chosen for the research project.
- b) Chapter 3 also directs the attention of the reader to a pilot study relating to the research question conducted in November.

The methodology for this study is summarised in table 3.4. Highlighted in bold text are the chosen tactics that were in order to provide the answer to the research question. Those tactics not in bold were rejected.

Philosophy	Approach	Strategy	Time Horizon	Data Collection
Realism	<b>Inductive</b>	Experiment	<b>Cross –</b>	Observation
Positivism	Deductive	Survey	<b>sectional</b>	Interviews
<b>Interpretivism</b>		<b>Case study</b>	Longitudinal	<b>Secondary Data</b>
		Grounded –		Sampling
		Theory		<b>Questionnaire</b>
		Ethnography		
		Action -		
		Research		

Table 3.4 Summarised methodology

## **Chapter 4 - Analysis of Data**

### **4.1 Introduction**

Chapter 4 presents patterns of findings resulting from the data collection. This will include an analysis of the administration, respondents and non respondents.

Frequent summary tables and figures of results are presented, in order to easily demonstrate any patterns from the mass of data retrieved from the questionnaire.

Secondary data will also be presented which will consist of absenteeism and customer satisfaction data provided from British Telecom's archives.

## 4.2 Survey Administration

### 4.2.1 Representation

The number of employees that were identified for the survey was one hundred and eighty two (182). being the total number of employees that were involved in the downsizing by BTR. One hundred and Two (102) of these people were pertaining to the Chester office and Eighty (80) to the Leeds office. All employees (from both offices) were individually supplied with the questionnaire and given four (4) weeks to complete the survey and return by 12<sup>th</sup> January 2005.

To calculate the response rate for both total and active, the following formulas (provided by Saunders et al 2003) have been applied.

$$\text{Total response rate} = \frac{\text{Total number of responses}}{\text{Total number in sample - ineligible}}$$

Of the 182 employees, 65 returns have been received and zero are ineligible.

$$\text{Total response rate} = \frac{65}{182}$$

Thus equating to a total response rate of 36%

However, since the downsizing of BTR 2 people have been promoted to senior managers (not included for this study), 5 are on maternity leave, 3 people have been on long term sickness absence, 8 have left BT and 3 have moved departments.

To calculate the active response rate, Saunders et al (2003) state the following formula:-

$$\text{Active response rate} = \frac{\text{Total number of responses}}{\text{Total number in sample} - (\text{ineligible} + \text{unreachable})}$$

Therefore the active response rate is thus

$$\text{Total response rate} = \frac{65}{182-21}$$

This equates to an active response rate of 40%

#### **4.2.2 Questionnaire distribution**

The questionnaire (as described in Chapter 3) was distributed via electronic medium, utilising a system owned by BT called e-Response. This system would send a hyperlink to the employees, which would direct them to an internal web page where the questionnaire was held.

*Once completed, the host system keeps all data collected until called upon.*

#### **4.2.3 Calculating satisfaction scores**

##### **4.2.3.1 Individual Satisfaction**

To acquire the scores for the individuals, each of their answers were converted into a number between 1 and 6 e.g. Disagree very much (Score = 1). A reverse score was given to those questions that were deemed to be a negative question. The conversion took place in the form of an excel spreadsheet, where the sums for each individual were collated. The total satisfaction score is the sum of the 36 questions, multiplied by the maximum score of 6, totalling 216. To present total dissatisfaction score the same rule was applied, however, the score of 1 replaced 6, totalling a dissatisfaction score of 36 and the neutral score is mean of the two scores of 36 and 216.

##### **4.2.3.2 Facet satisfaction**

To calculate the facet scores, all responses to questions pertaining to the facets (as demonstrated in table 3.3) were added together, giving a facet score. To establish total satisfaction the sum of 4 questions multiplied by the maximum score of 6 multiplied by the number of respondents, equating to a total satisfaction score of 1560. The same rule was applied to ascertain total dissatisfaction but replacing the maximum score of 6 with the minimum score of 1, equating to a total dissatisfaction score of 260. To identify a neutral score, a mean was established and given a neutral facet score of 910.

## 4.3 Analysis of invitees

### 4.3.1 Distribution

As stated earlier in chapter 4, the job satisfaction survey was deployed to one hundred and eighty two (182) people within the organisation of British Telecom Retail (BTR) that had experienced the downsizing exercise. Table 4.1 demonstrates how the survey was distributed.

**Table 4.1: Distribution**

Distribution List							
	Total	Male		Female		Managers	
Leeds	80	51%	41	49%	39	5%	4
Chester	102	59%	60	41%	42	5%	5
Total	182	55%	101	45%	81	5%	9

### 4.3.2 Respondents – Non Respondents

In order to ascertain if the response represents a plausible return in comparison to the distribution, it is important to understand, who responded, what their grade was and, where they resided within the organisation. Tables 4.2, 4.3 and 4.4 demonstrate the representation of the respondents which enables the researcher to understand and compare the distribution list with the respondents in order to establish if the respondent numbers were a fair representation of the audience that was invited.

**Table 4.2: Gender Response**

1. Gender	Percentage	Totals
Male	42%	27
Female	58%	38
Total		65

**Table 4.3: Grade Response**

4. Grade	Percentage	Totals
C Grade	89%	58
1st Line Manager	11%	7



**Table 4.4: Centre Response**

5. Centre	Percentage	Totals
Leeds	31%	20
Chester	69%	45

Of the non-respondents, it also important to understand where possible, who did not respond and as to ascertain if the non response is comparable to that of the:-

- (i) Invited audience
- (ii) The respondents

Table 4.5 summarises and presents the numbers and percentages of non-respondents by centre, gender and grade.

**Table 4.5:Non-Respondents**

Non-respondents							
	Total	Male		Female		Managers	
Leeds	60	37%	22	60%	36	3%	2
Chester	57	49%	28	51%	29	0%	0
Total	117	43%	50	56%	65	2%	2

By comparing table 4.1 and table 4.5, an analysis of the distribution versus non – respondents can be made and judged in order to establish if the respondents are of an equal variance.

As can be viewed, of the distribution 45% are female and 55% male. Of the respondents, 42% are male and 58% are female, compared to the non-respondents of 56% female and 43% male. Therefore the comparison of respondents versus non-respondents can be judged as a fair representation of gender.

As for a centre comparison, the distribution was 44% in Leeds and 56% for Chester. For the response, Chester returned 69% of the responses, whilst Leeds returned 31%.

## 4.4 Results

### 4.4.1 Job Satisfaction by Age

As described in section 4.2.3, the job satisfaction scores can be obtained for each individual. By asking the question ‘what is your age group?’ (question 2) allows compartmentalisation of individuals into age groups (16-19, 20-29, 30-39, 40-49 and 50-60). This permits to distinguish job satisfaction by age. Below is a bar chart representing job satisfaction by age (in blue), coupled with a trend line (in black).

CHART 4.1: JOB SATISFACTION BY AGE

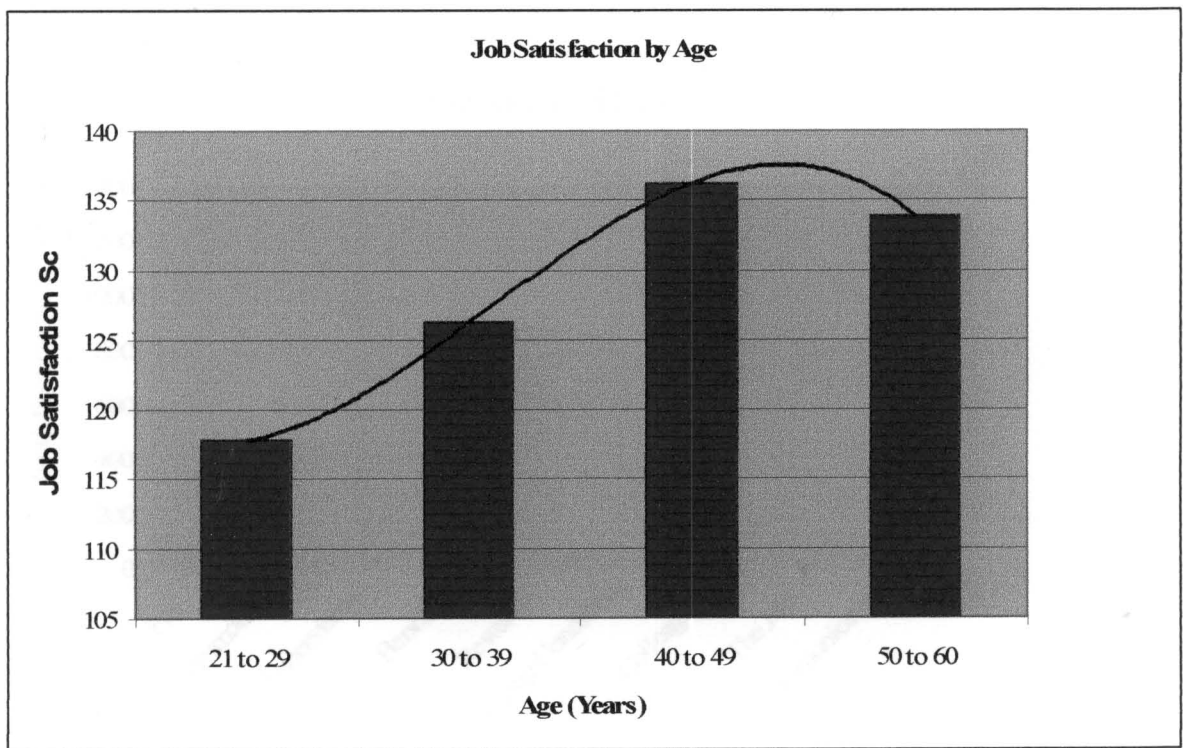


Chart 4.1 illustrates that the combined satisfaction scores of all employees aged between 21 and 29 presented a score of 118. The combined satisfaction scores of employees aged 30 to 39 produced a score of 126. The total satisfaction score for employees aged between 40 to 49 generated a score of 136 and finally employees aged between 50 to 60 responded to give a total satisfaction score of 134.

The trend line added, demonstrates the upward trend of satisfaction with age.

4.4.2 Job satisfaction by Facets

Questions 8 – 44 appertain to the Job satisfaction Survey outlined by Spector ( 1997 ). As already discussed these 36 questions are grouped by facets, namely, promotion, benefits, rewards, pay, supervision, operating conditions, colleagues, the job and communication. By collecting each score for individuals and then grouping each question by facet, it is possible to demonstrate how people perceive their facets. The chart below shows the facet scoring from the results of the questionnaire. The red line on the chart represents total dissatisfaction, whilst the amber line is neither satisfied nor dissatisfied.

CHART 4.2: SATISFACTION OF FACETS

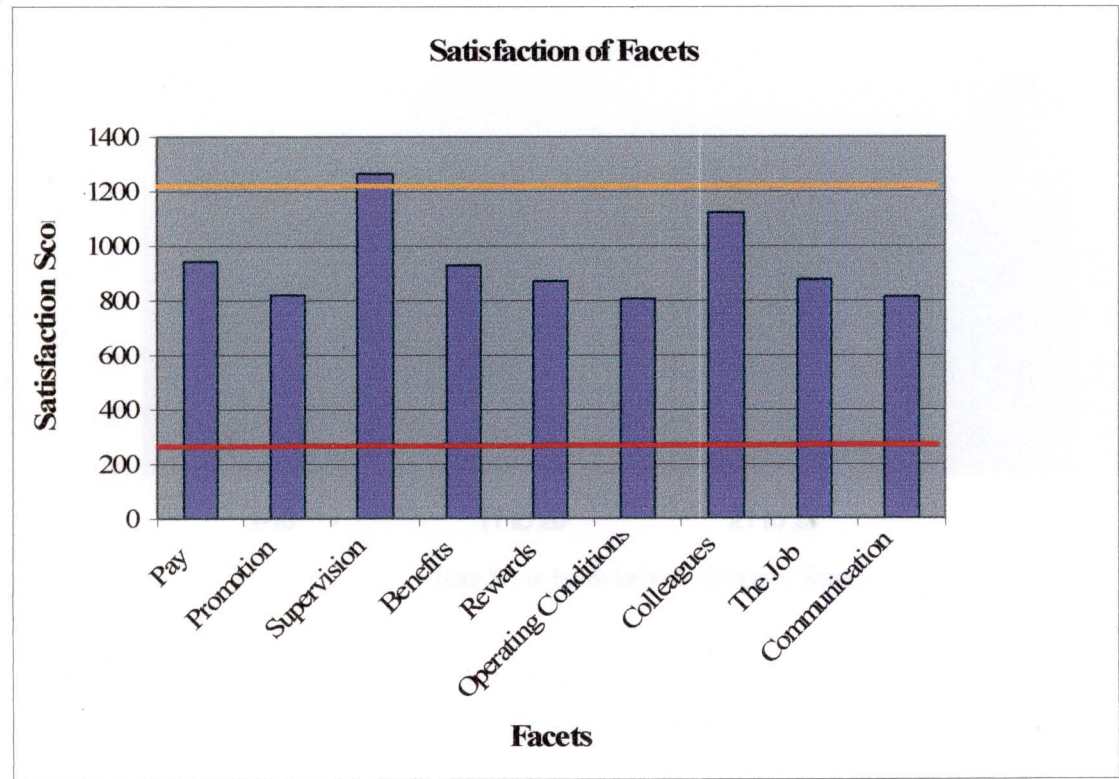


Chart 4.2 demonstrates that, through the grouping of question 8 to 44 in to facets, all but one (supervision) are below a neutral satisfaction score.

4.4.3 Job Satisfaction by Length of Service

As described in section 4.2.3, the job satisfaction scores can be obtained for each individual. By asking the question ‘how long have you been with British Telecom?’ allows compartmentalisation of individuals into length of service (1-10 years, 11-20 years, 20-25 years and greater than 25 years). This allows to demonstrate job satisfaction by length of service with the company. Below is a bar chart representing job satisfaction by length of service (in blue).

CHART 4.3: JOB SATISFACTION BY LENGTH OF SERVICE

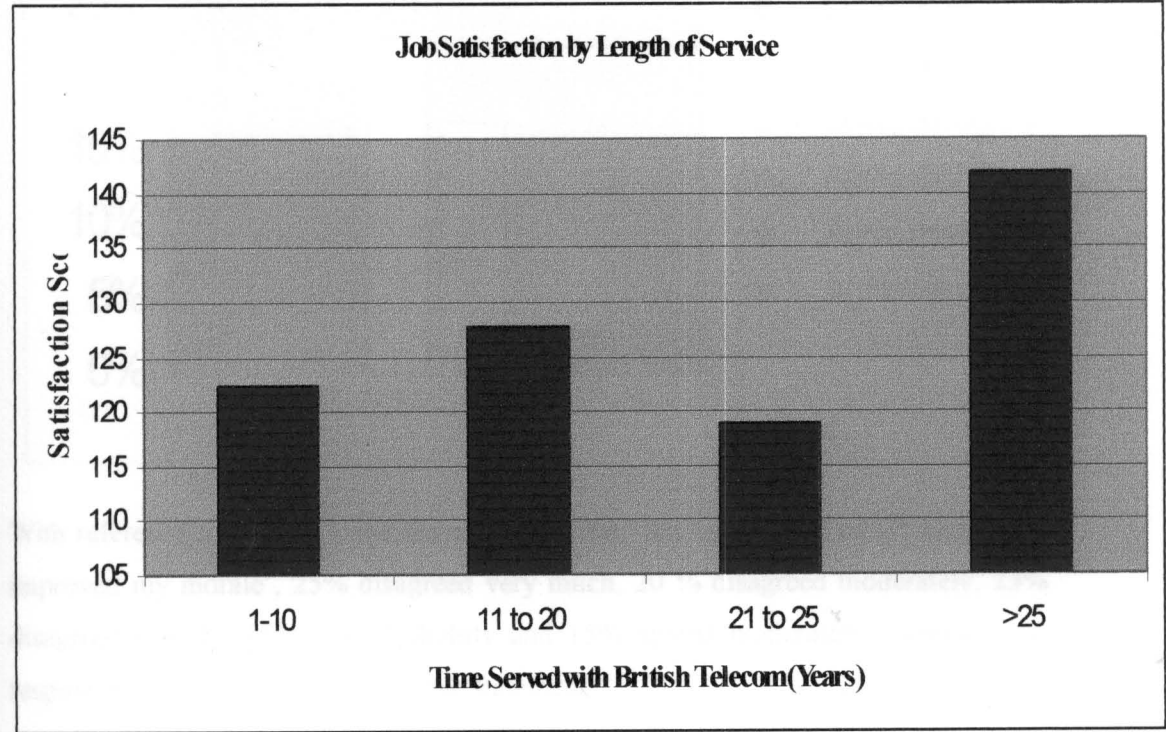


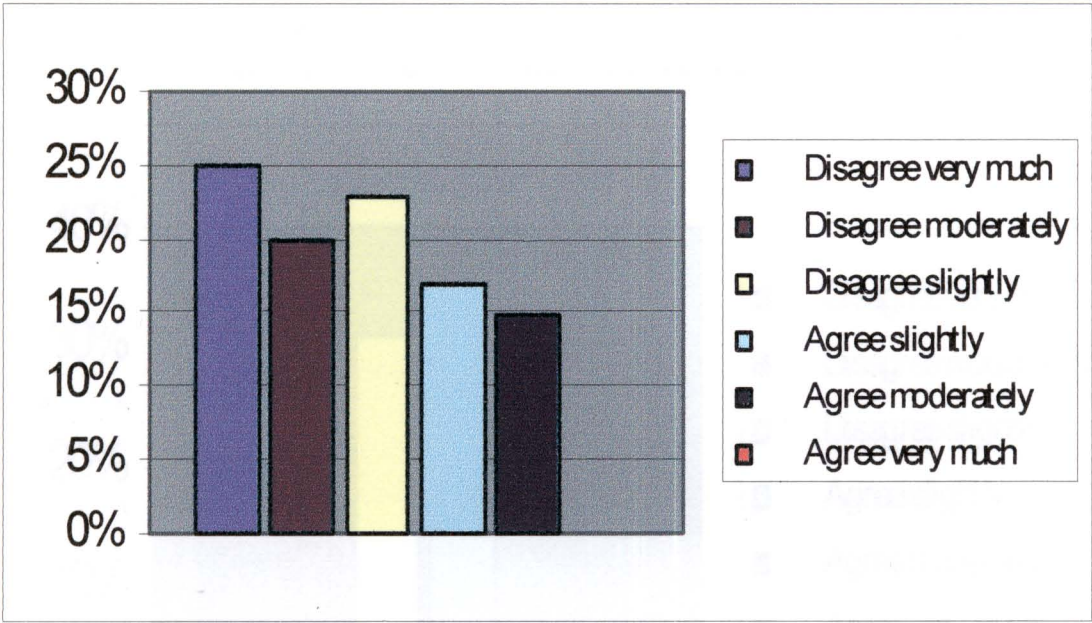
Chart 4.3 illustrates that employees who have been employed by British Telecom from 1 to 10 years show a satisfaction score of 122. Employees who have been employed by the company for 11 to 20 years increase the satisfaction score to 127. As the employee becomes employed for 21 to 25 years the satisfaction score decreases to the lowest score of 118 and finally, employees who have been employed by the company the longest (more than 25 years) show the highest satisfaction score of 141.



4.4.5 Morale

Question 51 of the questionnaire asks the participants to choose from six options consisting of ‘disagree very much’ through to ‘agree very much’ to the statement ‘The downsizing of BTR has improved my morale’. The chart below exhibits the response.

CHART 4.4: THE DOWNSIZING OF BRITISH TELECOM RETAIL HAS IMPROVED MY MORALE

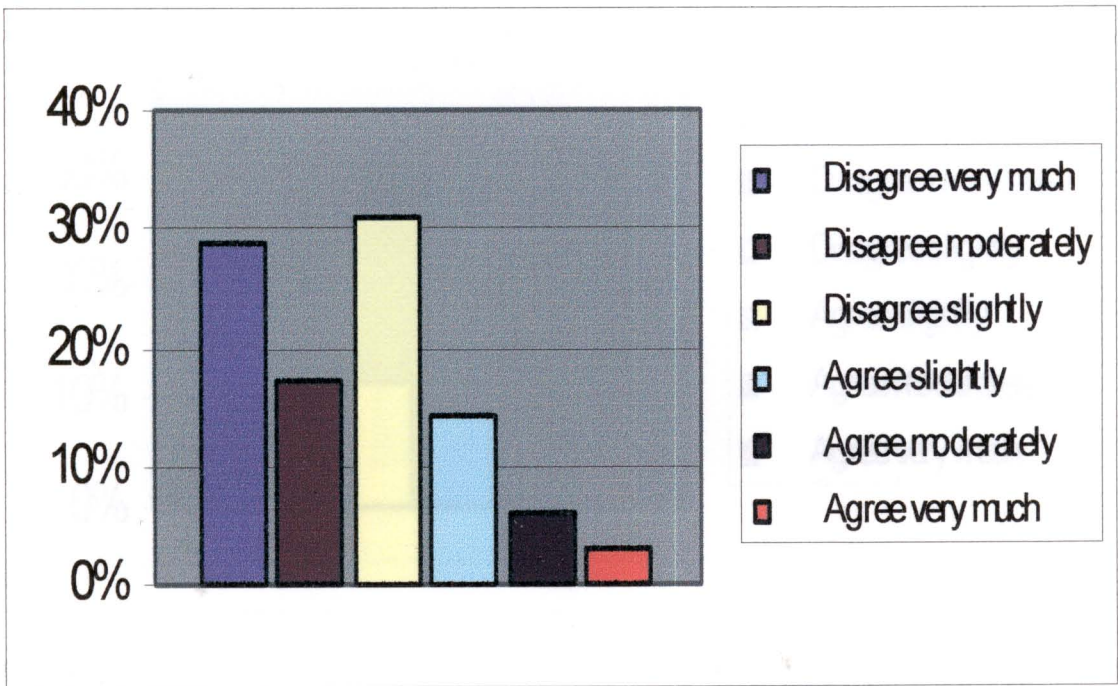


With reference to chart 4.4 and the statement that ‘the downsizing of BT Retail has improved my morale’, 25% disagreed very much, 20 % disagreed moderately, 23% disagreed slightly, 16% agreed slightly and 15% agreed moderately. However, no respondent agreed very much with the statement.

4.4.6 Commitment

Question 50 of the questionnaire asks the participants to choose from six options consisting of ‘disagree very much’ through to ‘agree very much’ to the statement ‘Post Downsizing, I am committed to British Telecom Wholesale Markets’. The chart below (chart 4.5) demonstrates the response.

CHART 4.5: POST DOWNSIZING, I AM COMMITTED TO BRITISH TELECOM WHOLESALE MARKETS

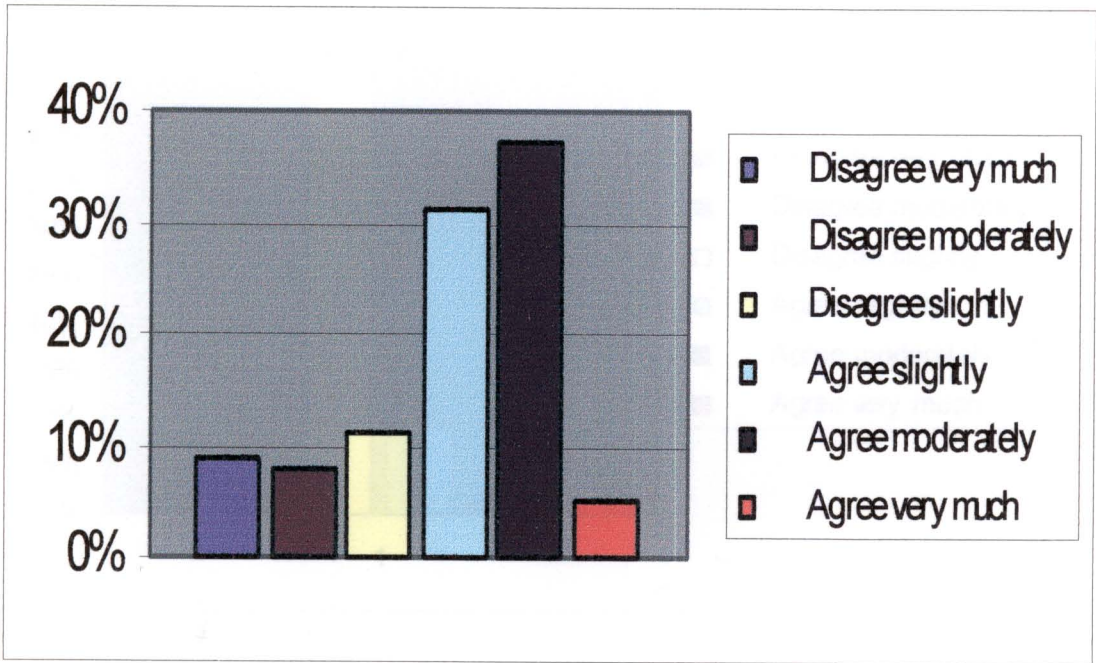


With reference to chart 4.5 and the statement that ‘post downsizing, I am committed to BT Wholesale markets’, 29% disagreed very much, 16 % disagreed moderately, 31% disagreed slightly, 14% agreed slightly, 6% agreed moderately and 4% agreed very much.

4.4.7 Loyalty

Question 49 of the questionnaire asks the participants to choose from six options consisting of ‘disagree very much’ through to ‘agree very much’ to the statement ‘Since redeployment, I now show loyalty to British Telecom Wholesale Markets’. The chart below (chart 4.6) demonstrates the response.

CHART 4.6: SINCE REDEPLOYMENT, I NOW SHOW LOYALTY TO BRITISH TELECOM WHOLESALE MARKETS



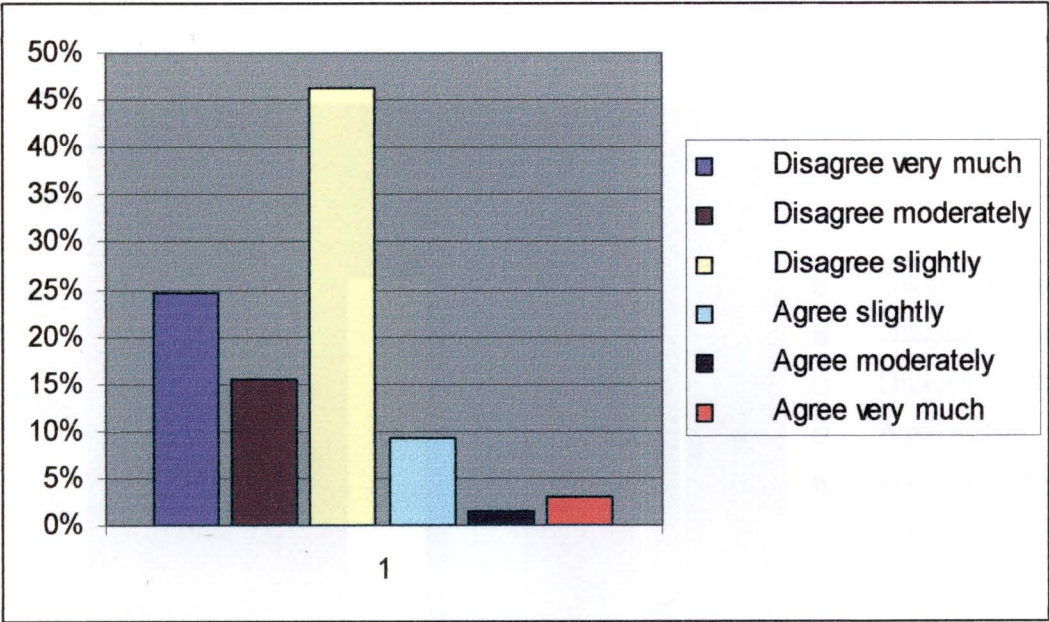
With reference to chart 4.6 and the statement that ‘since redeployment, I now show loyalty to BT Wholesale Markets’, 9% disagreed very much, 8 % disagreed moderately, 11% disagreed slightly, 31% agreed slightly, 37% agreed moderately and 5% agreed very much.



4.4.8 Reward

Question 48 of the questionnaire relates to the subject of reward. The participants are asked to chose an answer from six choices (consisting of ‘disagree very much’ through to ‘agree very much’) to the statement ‘Rewards are greater in Bt wholesale compared to Bt Retail. The bar chart below illustrates the findings.

CHART 4.7: REWARDS ARE GREATER IN BT WHOLESALE COMPARED TO BT RETAIL



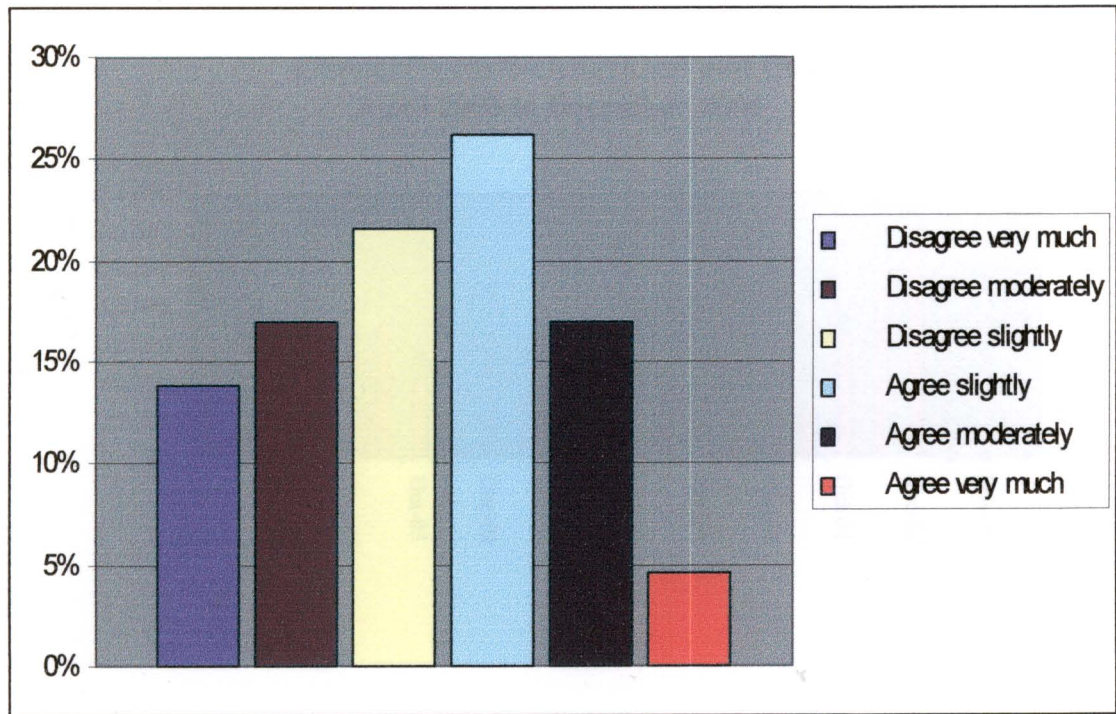
With reference to chart 4.7 and the statement that ‘since rewards are greater in BT Wholesale compared to BT retail’, 25% disagreed very much, 15 % disagreed moderately, 46% disagreed slightly, 8% agreed slightly, 2% agreed moderately and 3% agreed very much.



4.4.9 Empowerment

Question 46 of the questionnaire asks the participants to choose from six options consisting of ‘disagree very much’ through to ‘agree very much’ to the statement ‘My 1st line manager is empowered within my line of business’. The chart below (chart 4.7) demonstrates the response.

CHART 4.8: MY 1ST LINE MANAGER IS EMPOWERED WITHIN MY LINE OF BUSINESS

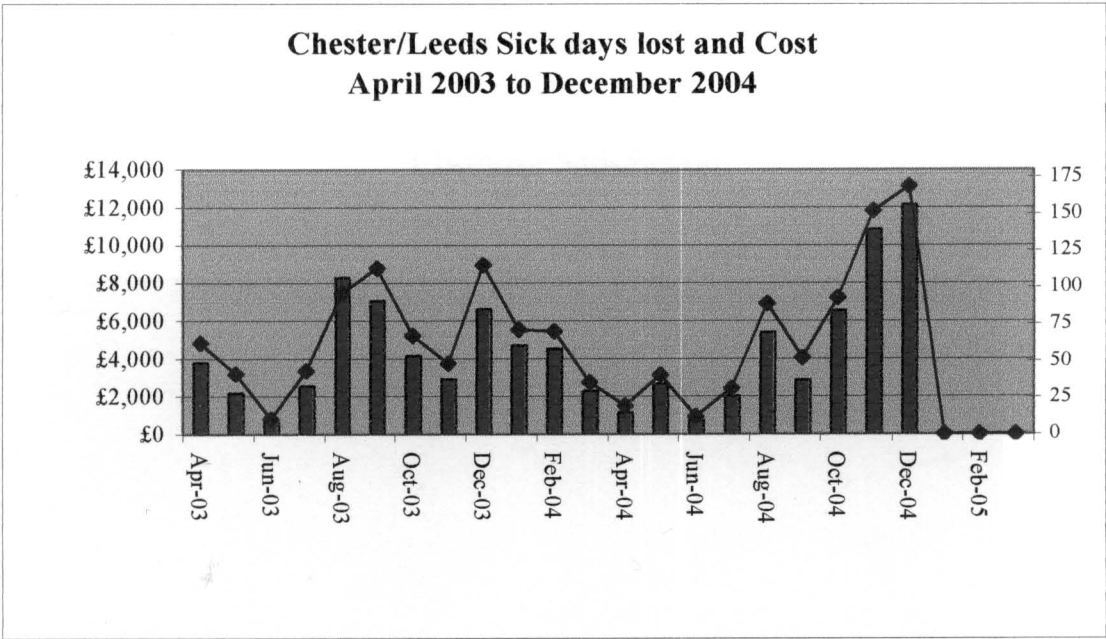


Referring to chart 4.8 and the statement that ‘my first line manager is empowered within my line of business’, 14% disagreed very much, 16 % disagreed moderately, 22% disagreed slightly, 27% agreed slightly, 16% agreed moderately and 4% agreed very much.

4.4.10 Absenteeism

Extracting data from British Telecom’s archives, absenteeism for British Telecom Wholesale Markets (BTWM) can be shown. Important to reiterate at this point, that the transfer of employees from British Telecom Retail to BTWM take place on the 1<sup>st</sup> September 2004. Chart 4.8 below presents the absenteeism rate and cost per absence. The red bars denote days of absence and the blue line is the cost.

CHART 4.9:: ABSENTEEISM: DAYS LOST/COST

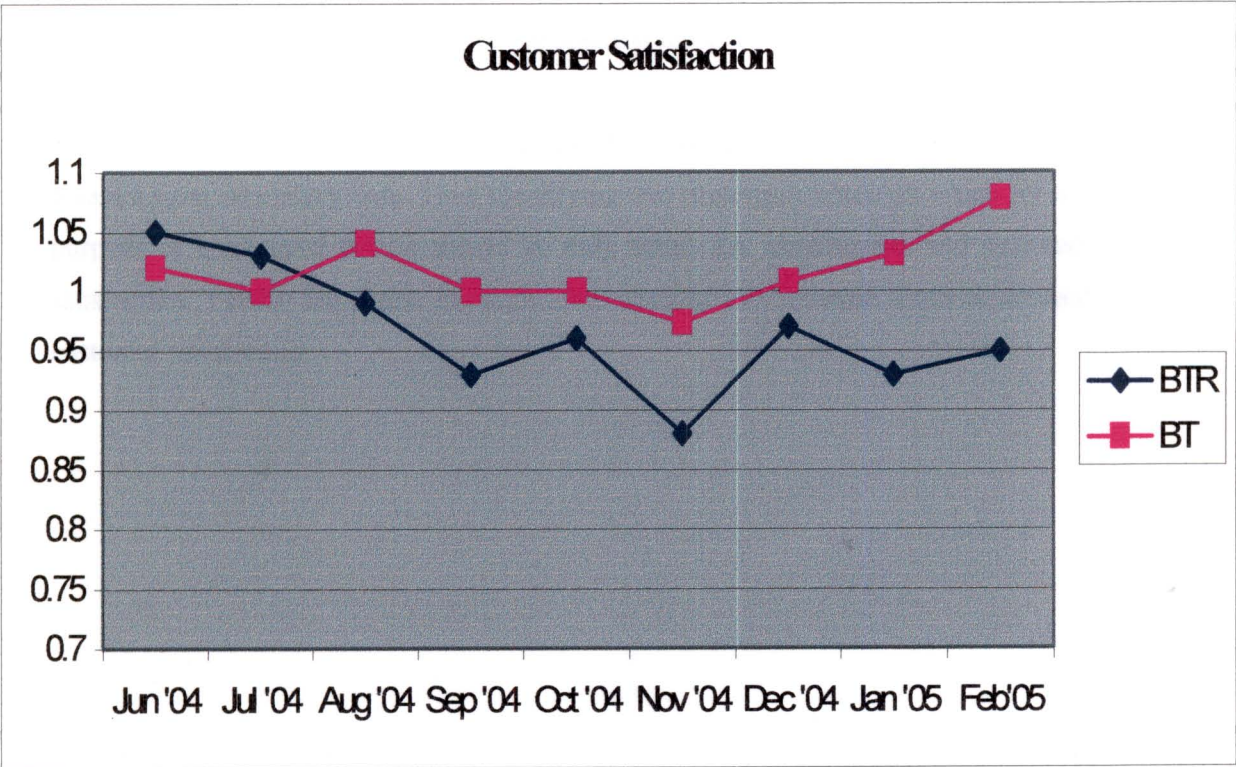


Based on the secondary data provided by British telecom (chart 4.9), the chart clearly demonstrates that in August 2004, absenteeism started to rise. August 2004 shows that 65 days were lost due to absenteeism at a cost of £5000. In October 2004, the absenteeism rate started to rise to a level of 78 days lost at a cost to British Telecom of £7000. In December 2004, the costs of absenteeism had risen to the highest level of £13000 in relation to 150 days.

4.4.11 Customer Satisfaction

Again taken from British Telecom’s archives, the secondary data shows how the customers perceive British Telecom with regard to how satisfied they are with the company by comparing BT to the competition. Again a prudent point to be made at this point is that the experienced employees of British Telecom Retail (BTR) were transferred in to British Telecom Wholesale Markets on the 1<sup>st</sup> September 2004. However, the downsizing of BTR was communicated to their customers in August 2004.

CHART 4.10: CUSTOMER SATISFACTION: BT v BTR



The blue line depicted in Chart 4.10 illustrates that there has been a steady decline in British Telecom’s independent customer satisfaction score. Whilst the pink line demonstrating the BT group shows a reasonably static result. In August 2004, BTR saw a rapid decline in their score, falling below a score of 1 ( the number 1 is the optimum, displaying that the customer perceives that the competition is no better than BT and vice versa). It can arguably judged that the downsizing of BT retail did have an effect on customer perception of BT Retail and in turn having an effect on the BT Group score.

## **4.5 Summary**

Chapter 4 presents captured data from the questionnaire coupled with an identification of the secondary data, provided under the heading of ‘Analysis of Data’.

Further examination and analysis enables the researcher to present summary tables and pictorial charts with the aim of highlighting data summaries.

Chapter 4 also aims to inform the reader from whence the invitees came, their gender and their grade relating to other human resources factors.

It is within chapter 4 that first sight of the Job Satisfaction Survey (JSS) questionnaire can be scrutinised, grouped by the job satisfaction facets discussed in chapter 3.

Chapter 4 identifies two charts depicting (within chapter 4) the information which is gleaned from secondary data. Thus identifying two important headings which for the purpose of intellectual debate should be duly noted. I.e. absenteeism and customer satisfaction. Finally the charts highlight data relating to employee absenteeism and customer satisfaction.

## **Chapter 5 - Conclusions and Implications**

### **5.1 Introduction**

An explanation is given to the reader on how successful or unsuccessful the chosen research methodology fitted the problem. Further more, Chapter 5 discusses findings for each research question that is summarised from chapter 4 and explained within the context of this and prior research examined in chapter 2.



## 5.2 Critical Evaluation of Adopted Methodology

### Interpretivism

As detailed and discussed in chapter 3 (**methodology**), interpretivism according to Saunders et al is a research philosophy that requires the researcher to seek to understand the subjective reality and meaning of the participants involved in the re-organisational structure.

This author chose to adopt the interpretivism research philosophy as the dominant approach of the questionnaire, survey, study and dissertation. This decision was based on the grounds that the research methodology of positivism demonstrated too much complexity for the purpose of this research project, as it had a propensity to reduce the overall approach, to a series of law-like generalisations and it was because of this critical dimension in relation to positivism, that persuaded this author to chose the methodology of interpretivism that best demonstrated a proven intellectual choice relating to research methodology.

This line of argument was also persuasive to the extent of academic certainty in the case of business and management research. However, a critical analysis of the methodology used now convinces this researcher that deciding to allow interpretivism to be the dominant approach of the research methodology, was with hindsight the wrong approach, in that, contrasting and comparing the results of the survey, questionnaire and study now convinces this author that this dissertation should have contained a 50/50 weighting between interpretivism and realism. Thus bringing a greater sense of academic balance to the argument.

Academic theorists further demonstrate (Fisher, C (2004) and Saunders et al (2003) ) that realism, as defined by social constructionism, also recognised that people are likely to share interpretations of their socially constructed environment. In the case of the British Telecom Retail employees, identified in the research project, it now appears that whilst the questionnaire and the survey were offered to the staff

concerned under the commitment of confidentiality, the employees themselves may have shared information appertaining to the answers given in the questionnaire.

Under such circumstances a stimuli such as bonding / sharing, may have exerted an influence on those affected, in their socially constructed world. I.e. did the employees tell the researcher what he/she wanted to hear?

### **5.2.1 Research Method – Approach**

Whilst the research question ‘has the downsizing of British Telecom Retail had an impact on job satisfaction ?’ could have lead the researcher towards the definition of ‘the deductive approach’ i.e. a research approach involving the testing of a theoretical proposition by the employment of a research strategy specifically designed for the purposes of its testing, the definition of ‘the inductive approach’ i.e. a research approach that involved the development of a theory as a result of the observation of empirical data, convinced this researcher that the inductive approach was the correct approach under these circumstances for the purpose of this research project.

Academics (Saunders et al (2003), Wisker, G (2001) & Fisher, C (2004)) successfully argued that the inductive approach would be particularly concerned with the study of a small sample of subjects as opposed to larger numbers within the deductive approach. Whereas academic commentators such as Fisher and Saunders et al convey the impression that there are rigid divisions between the two approaches (inductive and deductive ) to research, this would be misleading as they both assert, that it is perfectly possible to combine the two approaches within the same piece of research and equally declare that in their experience “it is often advantageous to do so”. However, this researcher opted for the inductive approach due to the nature of the small group of people involved in the study, but also recognised that if further research is required then a joint combination of both approaches is highly recommended.

### **5.2.2 Strategy**

Whilst the three main philosophical positions in relation to research have been discussed i.e. ‘Positivism, Interpretivism and Realism’ under the heading of methodology, they were considered to be different if not mutually exclusive in

relation to the way knowledge is developed. All three have important roles to play in business and management research.

The analysis of the philosophical position further concluded that whilst the two main approaches to research are deductive and inductive in their singular settings, it is recommended that they should not be thought of as mutually exclusive. As combining both can be adopted as a research strategy subject to the purpose of the research. However, it can be clearly identified (Saunders et al) that the main influence on the choice of research approach, should be the research questions and objectives, thus defining that the driving factor in relation to the research approach options should indeed be the research strategy.

Academics (Fisher, C and Saunders et al) assert that the main research strategies of most intellectual interest to researchers are:- experiment, survey, case study, grounded theory, ethnography and action research. In relation to grounded theory and ethnography both strategies were rejected by the researcher for the following reasons:-

In the case of grounded theory, this research strategy develops intellectual conjecture, generated from data through a series of observations or interviews principally involving an inductive approach. However, as this research was not developing theory but was indeed asking the question 'has the downsizing of British Telecom Retail had an impact on employee job satisfaction' grounded theory was rejected as an inappropriate research strategy.

In relation to ethnography Saunders et al (2002) define this research strategy as that which focuses upon describing and interpreting a social world through first hand field study.

This research strategy was rejected because a field study has not yet been undertaken.

The research strategy chosen for the purpose of this research project was that of case study, chosen because it involved an empirical investigation of a "particular contemporary phenomenon" (Saunders et al 2002), within the real life context of the world within which the study is taking place and thus uses multiple sources of evidence.



Further critical analysis leads this author to conclude that survey and action research were equally valid strategies which may have been used. In the case of survey, it can be determined from the dissertation data that this research strategy involves the constructed collection of data from a sizeable population, whilst this researcher rejected this research strategy through a literal interpretation of “sizeable population” Saunders et al who also argue that the term ‘survey’ is often used to describe the relationship question of data when using questionnaires and also includes other techniques and methods such as structured observation and structured interviews. Therefore, it can be reasonably argued that the survey research strategy has indeed been combined with case study.

The research strategy called “action research” is mainly concerned with the management of change and involves close collaboration of practitioners and researchers. Whilst this researcher rejected ‘action research’ as a stand alone research strategy on the grounds that the results of such research should also take into account, other contexts, the issue of research ethics, which does go some way towards the use of an ‘action research’ strategy, i.e. the collaboration between the practitioners (British telecom employees and this researcher) which resulted in firm clear ethical commitments to practitioner and researcher confidentiality.

Resulting from the research decision to use case study as *the* dominant research strategy, enabled the research project to be considered as “cross sectional” and “Explanatory”

The concluding critical evaluation identifies, that had survey and action research been equally combined with the use of case study as a research strategy, greater strength could have been added to the principle of triangulation, the results of which would have facilitated a further dimension to the use of secondary data i.e. the data used in the research project originally collected for some other purpose.

Finally, the use of triangulation as an option was chosen because it involved the use of two or more independent sources of data or data collection methods i.e. secondary data derived from the literature review and information provided by other parties.

Both of which can be clearly identified as existing within one study, thus ensuring that the data informs the researcher what the researcher thinks is being told to him / her.

### **5.2.3 Research Instrument – Data Collection Methods**

Academic resources (Saunders et al 2002, Wisker, G 2001 & Fisher, C 2001) make reference to five headings relating to data.

1. Sampling
2. Secondary Data
3. Observation
4. Interviews
5. Questionnaire

All five factors (identified above) fall under the general generic heading of data collection. In relation to this research project the data collection method concentrates on questionnaire and secondary data. And whilst the questionnaire in general terms is deemed to include all data collection techniques, in which each person is asked to respond to the same questions in a pre determined order, secondary data must be seen to be used for the research project. Thus a combination of questionnaire and secondary data can be seen to be the tactical method of data collection for this cross-sectional study.

However, if further research is identified as necessary, the researcher should include (for a longitudinal study), more, if not all, the data collection methods.

## **5.3 Conclusions About the Research Question**

### **5.3.1 Satisfaction with Age**

The research question, 'has the downsizing of British Telecom Retail had an impact on job satisfaction, also highlights the issue of satisfaction as it relates to age and length of service.

Whilst conducting the literature review in Chapter 2, the author discovered that previous work by academics (Kalleberg & Loscocco 1983) produced evidence that job satisfaction did indeed increase in some form, with age. (Figure 2.4, page 36 ). The findings of this study within this dissertation have produced similar findings (Figure 4.1, page 70) that are similar to the findings of Kalleberg & Loscocco (1983), who suggest that satisfaction increases until age 40 then levels off, and then increases again when employees reach their late 50s.

Figure 4.1 (page 70) is presented in Bar chart format with an additional trend line. This trend line can then be compared to the trend line demonstrated by Kalleberg & Loscocco (1983) as shown in Figure 2.4 (page 36).

Based on the comparisons made, and utilising judgement, this author concludes that the job satisfaction with age scenario presented by Kalleberg & Loscocco (1983) is a similar result to that presented from the findings of this dissertation. Thus concluding that job satisfaction does indeed increase with age.

### **5.3.2 Satisfaction with Length of service**

A comparison of job satisfaction with the length of service of the employee as it relates by whom he is employed, raises important issues that must be clearly understood. I.e. The relationship between the employee and the employer not only suggests the employees appreciation of how the current employer views him/her, but also identifies how potential employers can observe them.

According to Shaffer (1987) an employee who has been working continuously for the same employer for a number of years has qualities and experience that can make that employee a valuable asset, not only to their current employer but also to many other organisations. Shaffer further asserts if employees are honoured and compensated consistently by the current organisation for which they work, the employee more often than not takes no action to look for other employment. When related to job satisfaction however, length of employment can also be associated with other variables such as the ability to work and to relate with co-workers and customers (Shaffer, 1987).

Figure 4.3 (page 72 ) displays that employee job satisfaction does increase with age and in particular the nearer to retirement (served more than 25 years) the more satisfied the employee is with their job. However, there is a variance in that, the uniformity for satisfaction by length of service is disturbed at 21 -25 years of service.

### **5.3.3 Customer Service**

Referring again to McCarthy and Millen (1994, cited by Rayburn & Rayburn 1998) chapter 2) 'cutting' staff numbers does not, in itself, produce efficiency, and bears no necessary relation to greater customer satisfaction or improved business processes. McCarthy and Millen also assert that these results can only be achieved with fundamental changes in business practices.

Further research by Bulgarella (2005) naming several authorities, has concluded that there is a direct correlation between employee satisfaction, customer service (internal and external), and customer satisfaction

The secondary data provided (in confidence) by British Telecom that the customer satisfaction scores of British Telecom Retail (BTR) have fallen, (figure 4.10, page 79) and the customer satisfaction scores started to fall at the same time as the implementation of the downsizing exercise. However, as demonstrated in the chart (figure 4.10, page 79), the customer satisfaction scores have started to rise but have not yet reached the levels of those scores pre downsizing and are still below the overall scores of the British Telecom Group.

#### **5.3.4 Loyalty and Commitment**

As previously discussed in chapter 2 (literature review) employees identify negatively that loyalty is only one way in that managers appear to lay emphasis on the importance of their own loyalty to their organisation but those same managers are perceived by their employees to fail to exercise loyalty to their own staff and as Rayburn & Rayburn (1998) identifies 'the likely result is demoralised employees fearful of losing their jobs'.

#### **Human Resource Perspective**

Whilst the line management attitude towards their employees are of extreme importance to any analysis in so far as job satisfaction is concerned, of equal importance is the human resource perspective in relation to downsizing. Human Resource management sources (International Digest 2002), recorded that the anxiety felt by surviving employees and their subsequent feelings of guilt, together with a lack of trust of the organisation can and does result in reduced productivity. Indeed as identified in chapter 2 employees become de-motivated *because* they have kept their jobs.

Of equal importance, other emotions aroused through downsizing are those of anger and frustration which when added to feelings of guilt and lack of trust also contribute

to low employee morale and further losses of productivity. According to Appelbaum et al (1998) executives charged with the management of downsizing exercises must take into account symptoms of an unproductive survivor culture which has at its root lack of motivation, loyalty, trust and recommitment to the newly reconstructed organisation.

Further academic authorities Purcell (2004), Rousseau (1995) Guest and Conway (1997) Coyle-Shapiro and Kessler (2000) all site that often that when employees believe or feel that their bosses, or their employers have terminated their contractual expectations concerning work and career opportunities, cause those employees to feel less committed to the aims and objectives of their which in turn causes job satisfaction levels to fall.

In contrast to the above academic findings, the results from the findings of this survey present a differing view. 47 people (72 percent) either agreed slightly, moderately or very much to the question ‘since redeployment, I now show loyalty to British Telecom Wholesale Markets (BTWM)’. Figure 4.6, page 75, presents these findings as a bar chart.

However, in contrast to the question relating to loyalty (‘since redeployment, I now show loyalty to British Telecom Wholesale Markets (BTWM)’), the findings to the question ‘post downsizing, I am committed to British Telecom Wholesale Markets (BTWM)’, present a differing answer. 77 percent of participating employees answered that question by using their vote to either state disagree very much, disagree moderately or disagree slightly.

These results can be seen in figure 4.5, page 74.

Reilly et al. (1993) (as discussed in chapter 2) suggests that employees when faced the threat of redundancy or redundancy may become more loyal to their own personal development rather than to the organisation. The Reilly et al (1993) research found that employees who had survived turbulent corporate atmosphere created by major reorganisations, did indeed express greater loyalty to their own careers loyalty (as opposed to organisational loyalty) it appear that organisational loyalty has a higher

priority that personnel loyalty in those organisation which emotionally stable and are free from major reorganisations.

This research appears to suggest that individuals are constantly redefining their loyalty as it relates to their organisation or themselves depending on the emotional state of the corporate body. Finally the Reilly et al (1993) research also identifies that fear of imminent redundancy may go some way to explain why employees so threatened attempt to demonstrate their importance to the organisation by visibly spending more time in the workplace i.e. they convey the impression they are working longer hours the impression they than those in a more stable organisation. This suggests that individuals are redefining and relocating their loyalty (away from organisations and to themselves).

#### **5.3.5 Facets**

Whilst most of the research on job satisfaction (Seymour & Buserhof, 1991; Carr & Kazanowski, 1994; DeSantis & Durst, 1996) demonstrates that employees generally want stable employment, opportunities for promotion and satisfactory compensation. The research findings of this study also produces results that suggest that the people involved require promotion, benefits and rewards. The results presented in figure 4.2, page 72, show that these three facets of job satisfaction are low.

#### **5.3.6 Absenteeism**

Based on BT Wholesale Markets internal data tracking of absenteeism due to illness, data indicates a slight variance in attendance and suggests that absenteeism is an issue (figure 4.9, page 78). According to Steers and Rhodes (1978), theories of absence hypothesise that job satisfaction plays a critical role in an employee's decision to be absent. As the employee's for BT Retail transferred in to BT wholesale market on 1<sup>st</sup> September 2004, judgment suggests that is more than just a coincidence that absenteeism started to rise in the very same timeframe.

Lam et al (2001) verifies that job satisfaction correlates to absenteeism stating that positive job satisfaction reduces irregular attendance.

### **5.3.7 Empowerment**

According to Mishra & Spreitzer (1997) downsized organisations rely on empowered employees and in particular managers in order to establish employee behaviour. From the study of this dissertation, 48% of the respondents agreed that the managers were still empowered, whilst 52% were in disagreement. Figure 4.8, page 77 displays the outcome of the questioning with regard to empowerment to a line manager. Thus concluding with a neutral result in that line managers (in the perception of the employees) is empowered, therefore concluding that downsizing may or may not have changed this perception as the same results may have occurred if downsizing had not have taken place.

### **5.3.8 Rewards**

When analysing any reward system, it is imperative that that reward system is viewed as a motivating tool, which not only fosters a desire within the employees psyche, thus improving performance, they also may be associated with the encouragement of greater levels of performance above and beyond the minimum expected by the employer. i.e. Reward goes beyond a 'fair days work for a fair days pay' (Tichy et al 1982).

Lawler (1991) asserts that a careful design of reward systems can influence the effectiveness of the organisation. Thus Tichy et al (1982) place reward as one of the key human resources (HR) processes, which positively contribute to the strategic management of firms and companies. Bell (2000) describes this criteria in terms that identify a reward psychology which demonstrates that reward is part of broader organisational strategies which in turn encourages loyalty, motivation and overall satisfaction amongst the identified organisations employees. This positive employee behaviour, may be linked to organisational strategies and company objectives. Thus ensuring that the chosen reward system(administered by HR) is used to achieve the desired employee performance and behaviour, And is therefore realised as a holistic organisational goal. (Bamberger and Meshoulam, 2000; Bell, 2000).



It appears that from the questioning about reward from the British Telecom group (questions 12, 21, 30 and 39, see appendix 4, heading rewards) are accepted as average. However, in a comparable question about reward with British Telecom Retail (BTR) and British Telecom Wholesale (BTW), the results (as displayed in figure 4.7, page 76 ) suggest that rewards were greater in BTR compared to that of BTW. Therefore concluding that downsizing has had an impact on a facet of job satisfaction.

Lawler (1991) discusses the need to ensure that rewards systems are comparable within the organisation. Without this uniformity, Lawler (1991) goes on to assert that if the rewards are not aligned, then the organisation will become the host of conflict within it's departments.

## 5.4 Conclusions About the Research Problem

The application of close scrutiny and research analysis in relation to the research question – Has the downsizing of British Telecom Retail had an impact on employee job satisfaction? Leads the author to conclude the following: -

1. No academic question is ever as simple as it first appears.
2. Taken purely at face value the answer to the research question is yes i.e. Downsizing of BT retail (BTR) has had an impact on employee job satisfaction. However, as with all issues with research it is the supplementary questions stemming from the primary issue that usually are in most cases of greater academic interest to the dedicated researcher.
3. Supplementary questions that should cause analytical academics to pause before any application of intellectual certainties are: -
  - i. Would there have been any effect on BTR employee job satisfaction had downsizing *not* taken place?
  - ii. If the answer is ‘possibly’, then the case for further detailed research *has been justly made*.
4. A further conclusion which can be extracted from the limited study undertaken by the author leads to the further question: -
  - i. Does downsizing have to be the only ‘first strike’ method of cost saving in large corporate organisations?

### **Conclusion**

The answer may be no, as in some cases it is possible for organisations to expand their business into the identified excess costs i.e. The introduction of new product lines and new business ventures that can utilise surplus staff and maximise skills and expertise within the business concept of land, labour and capital.

5. Conclusion of point 4 raises another question: -

What is the prime mover contained within the psychology of the downsizing concept, that drives employees towards the emotional perception of negative job satisfaction?

Detailed study of case history, surveys and academic theories leads ultimately to a single main conclusion in relation to job loss i.e. FEAR.

Thus concluding that if fear is the motivating factor of negative employee job satisfaction, there exists a strong case for managerial pre-decision studies, which should be undertaken prior to making the decision to downsize an organisation. Which, on the face of it appears simply to be the easy way out.

6. Conclusion 5 raises a further supplementary question, did the senior management of BT Retail

- i. Understand the definition of downsizing.
- ii. Know of, or make available to itself previously accumulated research information appertaining to the issue of downsizing i.e. Was the data that was available and in the public domain examined by the management of BT Retail as it related to its own corporate structure? If the answer is no then further study would be required.

Finally, it can be reasonably concluded that whilst the research question, “Has the downsizing of British Telecom Retail had an impact on job satisfaction ?” as applied to BT Wholesale Markets which, resulted in a study of the affected area within a microscopic ‘snapshot’ analysis, leads to the ultimate conclusion relating to the research question which is:-

That in so far as the macro application of downsizing is concerned, particularly as it relates to and affects BT, a substantial case for further research and study has been made and will be included in the list of dissertational recommendations.

## **5.5 Limitations**

The study within this dissertation suffered from several limitations:-

### **Questionnaire**

A questionnaire (JSS) was utilised and consequently is problematic for research purposes. The findings from an alternative survey may have produced results that stated the opposite to what was found by this survey.

The questionnaire also failed to ascertain other demographic quantifiers such as ethnic origin, disability, marital status, sexual orientation and children <sup>(1)</sup>. Although these quantifiers could have been proven to be prudent in ascertaining if people are satisfied with life, this in turn may have an affect on satisfaction in the workplace.

Whilst the study concentrated on job satisfaction, it failed to mention life satisfaction. Weaver (1978) suggest that “a person who is satisfied with their job, is likely to be satisfied with life in general. Other academics have also suggested the correlation between job and life satisfaction, hence, a questionnaire aiming to ascertain job satisfaction should also include life satisfaction questioning.

### **Bias**

It is recognised that bias is an ever present concern with the use of questionnaires. The questionnaire utilised 36 questions from the Job Satisfaction Survey (JSS), however, a self-report was used to question the invitees about the downsizing exercise (Questions 1-8 and questions 45 -52). As the author was part of that same downsizing exercise, the questions may have shown a bias towards a negative/positive trend.

Self-report measures have been shown to be particularly limited due to bias. Randall (1990) has expressed concern that self-report data often result in respondents giving socially desirable responses. She specifically believes that this results in respondents underreporting socially undesirable behaviours such as lack of commitment.

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<sup>(1)</sup> Advised by British Telecom HR team not to include in survey, as it was an unofficial questionnaire.

### **Survey title**

Easterby-Smith (2002) suggests that the nature of the questionnaire pertaining to job satisfaction itself will produce non-accurate results. Thus, this limitation may have eradicated if the survey was not given the title of a job satisfaction questionnaire. Extra benefits may or may not have been gained if the questions in the survey were coded enabling the survey to be compiled on completed in stealth.

## **5.6 Opportunities for Further Research**

Intellectual examination and academic analysis of the supplementary questions could, when coupled with a constant referral to the prime research question, cause this author to conclude that in relation to the practical application of downsizing and prior to decisions being made to implement such practices, British Telecom executives must satisfy themselves through the commissioning of detailed research study, prior to any downsizing decision being made as to the historical consequences and possible repercussions which, may be extracted from current available research data relating to other organisations and / or various segments of its own (BT) corporate structure.

Equally if following a detailed study concerning the decision to downsize is made, using all available data as a management tool and an executive indicator, commitment should be given to the undertaking of a further study (preferably external) on the British Telecom affected areas.

## **5.7 Summary**

Chapter five gives a critical evaluation of the adopted methodology which includes an appraisal of the approach and the data collection methods. Conclusions about the research problem and question are presented coupled with charts, diagrams and references of authorities from the literature review in chapter two.

Limitations of the exercise are documented, that includes critique of the questionnaire, the survey title and any bias. Finally, chapter five describes the opportunities for further research in to the subject of downsizing and employee job satisfaction.

## Chapter 6 Epilogue

When challenged with the necessity to reduce costs, scores of the same executives who publicise people as "our greatest assets" see those assets as suitable opportunities for reducing costs. (Shaffer 1987 & Atlas 1997).

Downsizing for the sake of cost reduction alone has been castigated intellectually as short-sighted and neglectful of what resources will be needed to increase the revenue stream of the future (Hamel & Prahalad, 1994).

Downsizing represents a reactive and defensive or proactive and anticipatory strategy that inevitably impacts on a company's size, costs, and work processes (Cameron 1994), and the organisation's shape and culture (Zemke 1990). It should be noted, that this definition of downsizing enables this study to distinguish and separate downsizing from other current restructuring concepts (Thornhill & Saunders 1998); including de-layering, Just-in time (JIT), Total quality management (TQM), lean production, re-engineering and concepts, such as decline, growth-in-reverse, non-adaptation, and layoffs (Cameron et al 1993; Littler et al. 1997).

Employees in downsizing firms also indicate less loyalty, whilst there is an increase in competition between fellow employees for remaining positions leading employees to work longer hours in an attempt to preserve their current positions (National Performance Review, 1997, cited by Williams, 2004).

In addition studies have proved that downsizing does not necessarily increase productivity or profits (Laabs, 1999). Caulkin, (1995), postulates that companies that employ downsizing for cost reduction are in fact still cost cutting years later.

Atlas (1997) states 'the traditional psychological contract between employer and employee - which was based on loyal, devoted work rewarded by job security and promotion opportunities - is dead'.

The new psychological employer-employee contract is based on economy and efficiency. The employer's goal is getting a specific job done within a specific time, as



inexpensively as possible. People are expendable, and nobody owes anybody anything.

This new attitude may mean reorganisations, outsourcing and other organisational changes that may disrupt continuity or our expectation of ongoing work in a particular job.

**Begin looking at yourself as an occupational specialist, not an organisational affiliate.**

For example, instead of thinking, "I work for Bell Atlantic," tell yourself, "I am a training specialist." (Atlas 1997)

As highlighted in Chapter 1, senior British Telecom (BT) executives not only committed to an undertaking of this research project but equally requested information concerning its findings.

The outcome of this research causes the following proposals to be made:-

1. Completed copies of the dissertation will be made available to the sponsors.
2. The dissertation will be presented to those sponsors and 64 managers on September 18<sup>th</sup> 2005
3. The sponsors will be made aware of the dangers of applying the micro analysis of a small segment of their organisation to a macro situation, therefore:-
  - a. The need for further investigation, study and research can not be to highly recommended
  - b. That British Telecom (BT) as an organisation should instigate a major policy review of their reducing headcount policy as it affects the downsizing of its varying departments i.e. the policy issue under examination *"should headcount reduction be the first option to cost cutting"*
4. Finally, the policy unit of British Telecom must re-examine the definition of job satisfaction as it relates to the companies understanding compared to this research project. Human Resources (HR) should initiate a corporate policy

review relating to human resources issues affecting employees of British Telecom and the cost cutting desires of British Telecom management.

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# Appendix 1

## **Appendix 1 – Letter of Intent**

2<sup>nd</sup> November 2004

### **Cullum Brenton – MBA- Job Satisfaction Survey**

To all team members and first line managers in BT Retail (Chester and Leeds)

As some of you may know, I am completing my third year as a part time student at Chester Business School in an attempt to gain a masters degree in business administration (MBA). To gain this degree, I have to submit a dissertation on a subject that will allow research.

As we have all been subject to a recent downsizing experience i.e. transfer from Retail to Wholesale, I thought it would be beneficial, not only to myself, but to you and the management of BT, if I was to undertake a study in Job satisfaction, post downsizing.

This is your chance to have a say in what you think your attitudes towards the organisational change. I have promised that I will present the results to the senior managers of BT retail and Bt wholesale once I have collated and analysed the findings.

In December, I will be distributing an e-mail to you all that will have a link to web survey known as e-response. This will then automatically take you to the questionnaire. I will allow four weeks for completion, giving enough time to capture most of the invitees.

I do hope you will make every effort to complete this survey, as the benefits, especially for me would be very rewarding.

I thank you in advance for your time.

Cullum Brenton  
Broadband Operations manager

# Appendix 2



## Appendix 2– MBA-Job Satisfaction Survey

### 1. Gender

- Male
- Female

### 2. What is your Age group

- 16 - 19
- 20 - 29
- 30 - 39
- 40 - 49
- 50 +

### 3. How long have you been with BT

- less than 1 year
- 1 - 10 years
- 11 - 20 years
- 20 - 25 years
- 25 years +

### 4. What is your Grade

- B Grade
- C Grade
- 1st Line Manager
- 2nd Line Manager
- Agency

### 5. Which centre do you currently work in ?

- Chester
- Leeds

### 6. Was the downsizing of BT Retail anticipated ?

- yes
- no

### 7. The downsizing of BT Retail was communicated well

- Disagree very much
- Disagree Moderately
- Disagree slightly
- Agree slightly
- Agree Moderately
- Agree very much

**8. I feel I am being paid a fair amount for the work I do**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**9. There is really too little chance for promotion on my job**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**10. My supervisor is quite competent in doing their job**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**11. I am not satisfied with the benefits I receive**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**12. When I do a good job, I receive the recognition for it that I should receive**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**13. Many of BT wholesale rules and procedures make doing a good job difficult**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**14. I like the people I work with**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**15. I sometimes feel my job is meaningless**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**16. Communications are extremely good in BT**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**17. Pay rises are too few and far between**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**18. Those who do well at their job, have a fair chance of being promoted**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**19. My supervisor is unfair with me**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**20. The benefits I receive are as good as other organisations offer**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**21. I do not feel that the work I do is appreciated**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**22. My efforts to complete a good job are seldom blocked by red tape**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**23. I find I have to work harder at my job because of the incompetence of others**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**24. I like doing the things I do at work**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**25. The objectives of BT are not clear to me**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**26. I feel unappreciated by BT when I think about what they pay me**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**27. People get promoted as fast in BT wholesale as they do in BT retail**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**28. 1st line managers shows too little interest in the feelings of their people**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**29. The benefits I receive is equitable**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**30. There are few rewards for those who work in the line of business**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**31. I have too much to do at work**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**32. I enjoy working with my colleagues**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**33. I feel that I don't know what is going on in the BT**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**34. I feel a sense of pride in doing my job**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**35. I feel satisfied with my chance for a salary increase**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**36. There are benefits we do not receive, which we should**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**37. I like my 1st line manager**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**38. I have too many e-mails to deal with**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**39. I don't feel my efforts are rewarded the way they should be**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**40. I am satisfied with my chances of promotion**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**41. There is too much bickering and fighting at work**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**42. My job is enjoyable**

Disagree very much  
Disagree moderately  
Disagree slightly  
Agree slightly  
Agree moderately  
Agree very much

**43. Work assignments are not fully explained**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**44. My line of business pays me well**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**45. I have a better chance of promotion in BT Wholesale compared to BT retail**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**46. My 1st line manager is empowered within my line of business**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**47. The benefits I receive are greater than the other lines of business**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much



**48. Rewards are greater in Bt wholesale compared to Bt Retail**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**49. Since redeployment, I now show loyalty to BTWM**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**50. Post Downsizing, I am committed to BTWM**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**51. The downsizing of BTR has improved my morale**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

**52. Overall I am happy working for my line of business**

- Disagree very much
- Disagree moderately
- Disagree slightly
- Agree slightly
- Agree moderately
- Agree very much

# Appendix 3

### Appendix 3 – MBA-Job Satisfaction Findings from BT staff in Chester and Leeds - December 2004

1. Gender	Percentage	Totals
Male	42%	27
Female	58%	38
Total Responses		65

2. What is your Age group	Percentage	Totals
16 - 19	0%	0
20 - 29	14%	9
30 - 39	34%	22
40 - 49	35%	23
50 +	17%	11
Total Responses		65

3. How long have you been with BT	Percentage	Totals
less than 1 year	0%	0
1 - 10 years	17%	11
11 - 20 years	42%	27
20 - 25 years	12%	8
25 years +	29%	19
Total Responses		65

4. What is your Grade	Percentage	Totals
B Grade	0%	0
C Grade	88%	57
1st Line Manager	9%	6
2nd Line Manager	2%	1
Agency	2%	1
Total Responses		65

<b>5. Which centre do you currently work in ?</b>	<b>Percentage</b>	<b>Totals</b>
Chester	31%	20
Leeds	69%	45
<b>Total Responses</b>		<b>65</b>

<b>6. Was the downsizing of BT Retail anticipated ?</b>	<b>Percentage</b>	<b>Totals</b>
yes	42%	27
no	58%	38
<b>Total Responses</b>		<b>65</b>

<b>7. The downsizing of BT Retail was communicated well</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	62%	40
Disagree Moderately	20%	13
Disagree slightly	5%	3
Agree slightly	5%	3
Agree Moderately	6%	4
Agree very much	3%	2
<b>Total Responses</b>		<b>65</b>

<b>8. I feel I am being paid a fair amount for the work I do</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	11%	7
Disagree moderately	9%	6
Disagree slightly	11%	7
Agree slightly	15%	10
Agree moderately	31%	20
Agree very much	23%	15
<b>Total Responses</b>		<b>65</b>

<b>9. There is really too little chance for promotion on my job</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	8%	5
Disagree moderately	12%	8
Disagree slightly	18%	12
Agree slightly	22%	14
Agree moderately	22%	14
Agree very much	18%	12
<b>Total Responses</b>		<b>65</b>

<b>10. My supervisor is quite competent in doing their job</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	2%	1
Disagree moderately	3%	2
Disagree slightly	9%	6
Agree slightly	17%	11
Agree moderately	38%	25
Agree very much	31%	20
<b>Total Responses</b>		<b>65</b>

<b>11. I am not satisfied with the benefits I receive</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	8%	5
Disagree moderately	32%	21
Disagree slightly	20%	13
Agree slightly	20%	13
Agree moderately	9%	6
Agree very much	11%	7
<b>Total Responses</b>		<b>65</b>

<b>12. When I do a good job, I receive the recognition for it that I should receive</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	17%	11
Disagree moderately	11%	7
Disagree slightly	15%	10
Agree slightly	25%	16
Agree moderately	28%	18
Agree very much	5%	3
<b>Total Responses</b>		<b>65</b>

<b>13. Many of BT wholesale rules and procedures make doing a good job difficult</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	2%	1
Disagree moderately	11%	7
Disagree slightly	17%	11
Agree slightly	31%	20
Agree moderately	15%	10
Agree very much	25%	16
<b>Total Responses</b>		<b>65</b>

<b>14. I like the people I work with</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	0%	0
Disagree moderately	5%	3
Disagree slightly	8%	5
Agree slightly	8%	5
Agree moderately	37%	24
Agree very much	43%	28
<b>Total Responses</b>		<b>65</b>

<b>15. I sometimes feel my job is meaningless</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	15%	10
Disagree moderately	17%	11
Disagree slightly	14%	9
Agree slightly	25%	16
Agree moderately	15%	10
Agree very much	14%	9
<b>Total Responses</b>		<b>65</b>

<b>16. Communications are extremely good in BT</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	34%	22
Disagree moderately	22%	14
Disagree slightly	15%	10
Agree slightly	23%	15
Agree moderately	6%	4
Agree very much	0%	0
<b>Total Responses</b>		<b>65</b>

<b>17. Pay rises are too few and far between</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	8%	5
Disagree moderately	22%	14
Disagree slightly	23%	15
Agree slightly	18%	12
Agree moderately	8%	5
Agree very much	22%	14
<b>Total Responses</b>		<b>65</b>

<b>18. Those who do well at their job, have a fair chance of being promoted</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	23%	15
Disagree moderately	22%	14
Disagree slightly	31%	20
Agree slightly	12%	8
Agree moderately	11%	7
Agree very much	2%	1
<b>Total Responses</b>		<b>65</b>

<b>19. My supervisor is unfair with me</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	55%	36
Disagree moderately	25%	16
Disagree slightly	11%	7
Agree slightly	6%	4
Agree moderately	2%	1
Agree very much	2%	1
<b>Total Responses</b>		<b>65</b>

<b>20. The benefits I receive are as good as other organisations offer</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	14%	9
Disagree moderately	8%	5
Disagree slightly	17%	11
Agree slightly	37%	24
Agree moderately	20%	13
Agree very much	5%	3
<b>Total Responses</b>		<b>65</b>

<b>21. I do not feel that the work I do is appreciated</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	11%	7
Disagree moderately	18%	12
Disagree slightly	17%	11
Agree slightly	25%	16
Agree moderately	12%	8
Agree very much	17%	11
<b>Total Responses</b>		<b>65</b>

<b>22. My efforts to complete a good job are seldom blocked by red tape</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	9%	6
Disagree moderately	28%	18
Disagree slightly	23%	15
Agree slightly	23%	15
Agree moderately	12%	8
Agree very much	5%	3
<b>Total Responses</b>		<b>65</b>

<b>23. I find I have to work harder at my job because of the incompetence of others</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	12%	8
Disagree moderately	23%	15
Disagree slightly	14%	9
Agree slightly	26%	17
Agree moderately	14%	9
Agree very much	11%	7
<b>Total Responses</b>		<b>65</b>

<b>24. I like doing the things I do at work</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	17%	11
Disagree moderately	20%	13
Disagree slightly	17%	11
Agree slightly	18%	12
Agree moderately	17%	11
Agree very much	11%	7
<b>Total Responses</b>		<b>65</b>

<b>25. The objectives of BT are not clear to me</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	15%	10
Disagree moderately	22%	14
Disagree slightly	29%	19
Agree slightly	12%	8
Agree moderately	11%	7
Agree very much	11%	7
<b>Total Responses</b>		<b>65</b>



<b>26. I feel unappreciated by BT when I think about what they pay me</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	11%	7
Disagree moderately	31%	20
Disagree slightly	28%	18
Agree slightly	17%	11
Agree moderately	5%	3
Agree very much	9%	6
<b>Total Responses</b>		<b>65</b>

<b>27. People get promoted as fast in BT wholesale as they do in BT retail</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	8%	5
Disagree moderately	5%	3
Disagree slightly	38%	25
Agree slightly	31%	20
Agree moderately	15%	10
Agree very much	3%	2
<b>Total Responses</b>		<b>65</b>

<b>28. 1st line managers shows too little interest in the feelings of their people</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	26%	17
Disagree moderately	23%	15
Disagree slightly	25%	16
Agree slightly	20%	13
Agree moderately	2%	1
Agree very much	5%	3
<b>Total Responses</b>		<b>65</b>

<b>29. The benefits I receive is equitable</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	9%	6
Disagree moderately	9%	6
Disagree slightly	18%	12
Agree slightly	46%	30
Agree moderately	15%	10
Agree very much	2%	1
<b>Total Responses</b>		<b>65</b>

<b>30. There are few rewards for those who work in the line of business</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	0%	0
Disagree moderately	9%	6
Disagree slightly	29%	19
Agree slightly	42%	27
Agree moderately	6%	4
Agree very much	14%	9
<b>Total Responses</b>		<b>65</b>

<b>31. I have too much to do at work</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	14%	9
Disagree moderately	18%	12
Disagree slightly	26%	17
Agree slightly	20%	13
Agree moderately	11%	7
Agree very much	11%	7
<b>Total Responses</b>		<b>65</b>

<b>32. I enjoy working with my colleagues</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	0%	0
Disagree moderately	3%	2
Disagree slightly	6%	4
Agree slightly	17%	11
Agree moderately	38%	25
Agree very much	35%	23
<b>Total Responses</b>		<b>65</b>

<b>33. I feel that I don't know what is going on in the BT</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	9%	6
Disagree moderately	11%	7
Disagree slightly	18%	12
Agree slightly	26%	17
Agree moderately	12%	8
Agree very much	23%	15
<b>Total Responses</b>		<b>65</b>

<b>34. I feel a sense of pride in doing my job</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	12%	8
Disagree moderately	17%	11
Disagree slightly	14%	9
Agree slightly	25%	16
Agree moderately	20%	13
Agree very much	12%	8
<b>Total Responses</b>		<b>65</b>

<b>35. I feel satisfied with my chance for a salary increase</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	25%	16
Disagree moderately	12%	8
Disagree slightly	20%	13
Agree slightly	28%	18
Agree moderately	11%	7
Agree very much	5%	3
<b>Total Responses</b>		<b>65</b>

<b>36. There are benefits we do not receive, which we should</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	6%	4
Disagree moderately	9%	6
Disagree slightly	32%	21
Agree slightly	32%	21
Agree moderately	9%	6
Agree very much	11%	7
<b>Total Responses</b>		<b>65</b>

<b>37. I like my 1st line manager</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	3%	2
Disagree moderately	0%	0
Disagree slightly	5%	3
Agree slightly	12%	8
Agree moderately	43%	28
Agree very much	37%	24
<b>Total Responses</b>		<b>65</b>

<b>38. I have too many e-mails to deal with</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	6%	4
Disagree moderately	3%	2
Disagree slightly	18%	12
Agree slightly	29%	19
Agree moderately	18%	12
Agree very much	25%	16
<b>Total Responses</b>		<b>65</b>

<b>39. I don't feel my efforts are rewarded the way they should be</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	3%	2
Disagree moderately	12%	8
Disagree slightly	28%	18
Agree slightly	37%	24
Agree moderately	11%	7
Agree very much	9%	6
<b>Total Responses</b>		<b>65</b>

<b>40. I am satisfied with my chances of promotion</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	20%	13
Disagree moderately	12%	8
Disagree slightly	15%	10
Agree slightly	26%	17
Agree moderately	18%	12
Agree very much	8%	5
<b>Total Responses</b>		<b>65</b>

<b>41. There is too much bickering and fighting at work</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	17%	11
Disagree moderately	12%	8
Disagree slightly	20%	13
Agree slightly	28%	18
Agree moderately	9%	6
Agree very much	14%	9
<b>Total Responses</b>		<b>65</b>

<b>42. My job is enjoyable</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	26%	17
Disagree moderately	11%	7
Disagree slightly	18%	12
Agree slightly	20%	13
Agree moderately	17%	11
Agree very much	8%	5
<b>Total Responses</b>		<b>65</b>

<b>43. Work assignments are not fully explained</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	3%	2
Disagree moderately	11%	7
Disagree slightly	20%	13
Agree slightly	40%	26
Agree moderately	9%	6
Agree very much	17%	11
<b>Total Responses</b>		<b>65</b>

<b>44. My line of business pays me well</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	11%	7
Disagree moderately	5%	3
Disagree slightly	12%	8
Agree slightly	37%	24
Agree moderately	25%	16
Agree very much	11%	7
<b>Total Responses</b>		<b>65</b>

<b>45. I have a better chance of promotion in BT Wholesale compared to BT retail</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	6%	4
Disagree moderately	5%	3
Disagree slightly	28%	18
Agree slightly	42%	27
Agree moderately	17%	11
Agree very much	3%	2
<b>Total Responses</b>		<b>65</b>

<b>46. My 1st line manager is empowered within my line of business</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	14%	9
Disagree moderately	17%	11
Disagree slightly	22%	14
Agree slightly	26%	17
Agree moderately	17%	11
Agree very much	5%	3
<b>Total Responses</b>		<b>65</b>

<b>47. The benefits I receive are greater than the other lines of business</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	22%	14
Disagree moderately	11%	7
Disagree slightly	46%	30
Agree slightly	17%	11
Agree moderately	5%	3
Agree very much	0%	0
<b>Total Responses</b>		<b>65</b>

<b>48. Rewards are greater in Bt wholesale compared to Bt Retail</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	25%	16
Disagree moderately	15%	10
Disagree slightly	46%	30
Agree slightly	9%	6
Agree moderately	2%	1
Agree very much	3%	2
<b>Total Responses</b>		<b>65</b>

<b>49. Since redeployment, I now show loyalty to BTWM</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	9%	6
Disagree moderately	8%	5
Disagree slightly	11%	7
Agree slightly	31%	20
Agree moderately	37%	24
Agree very much	5%	3
<b>Total Responses</b>		<b>65</b>

<b>50. Post Downsizing, I am committed to BTWM</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	29%	19
Disagree moderately	17%	11
Disagree slightly	31%	20
Agree slightly	14%	9
Agree moderately	6%	4
Agree very much	3%	2
<b>Total Responses</b>		<b>65</b>

<b>51. The downsizing of BTR has improved my morale</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	25%	16
Disagree moderately	20%	13
Disagree slightly	23%	15
Agree slightly	17%	11
Agree moderately	15%	10
Agree very much	0%	0
<b>Total Responses</b>		<b>65</b>

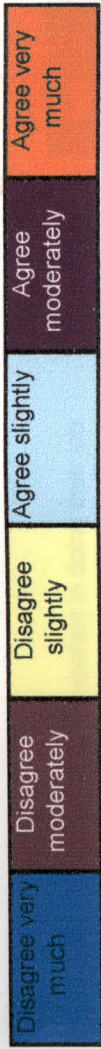
<b>52. Overall I am happy working for my line of business</b>	<b>Percentage</b>	<b>Totals</b>
Disagree very much	20%	13
Disagree moderately	17%	11
Disagree slightly	22%	14
Agree slightly	25%	16
Agree moderately	15%	10
Agree very much	2%	1
<b>Total Responses</b>		<b>65</b>

# Appendix 4



# Appendix 4 – MBA-Job Satisfaction Findings from BT Staff in Chester and Leeds - December 2004, Grouped by Facet

Key

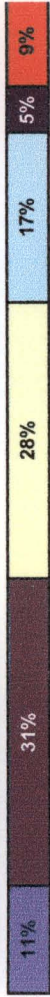


## Pay

Q8. I feel I am being paid a fair amount for the work I do



Q17. Pay rises are too few and far between



Q26. I feel unappreciated by BT when I think about what they pay me



Q35. I feel satisfied with my chance for a salary increase



## Promotion

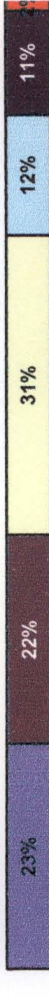
Q9. There is really too little chance for promotion on my job



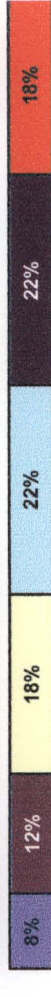
Q18. Those who do well at their job, have a fair chance of being promoted



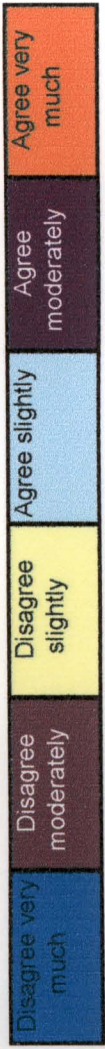
Q27. People get promoted as fast in BT wholesale as they do in BT retail



Q40. I am satisfied with my chances of promotion



Key



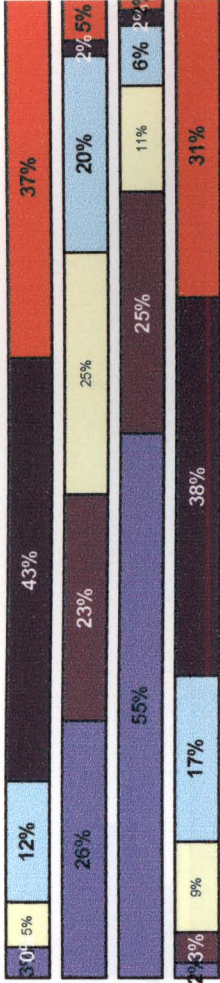
Supervision

Q10. My supervisor is quite competent in doing their job

Q19. My supervisor is unfair with me

Q28. 1st line managers shows too little interest in the feelings of their people

Q37. I like my 1st line manager



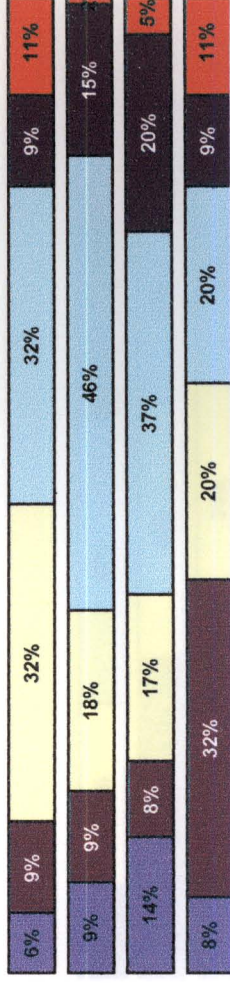
Benefits

Q11. I am not satisfied with the benefits I receive

Q20. The benefits I receive are as good as other organisations offer

Q29. The benefits I receive is equitable

Q36. There are benefits we do not receive, which we should





# Key

Disagree very much	Disagree moderately	Disagree slightly	Agree slightly	Agree moderately	Agree very much
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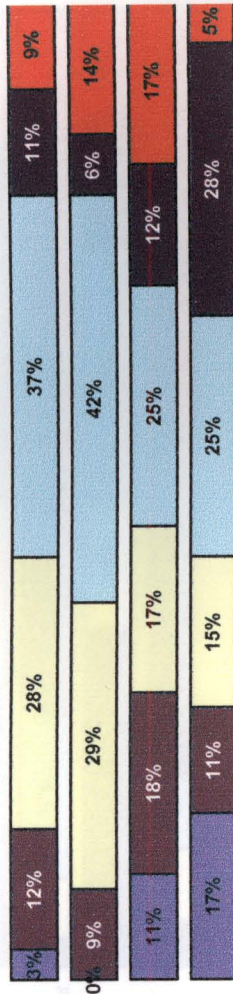
## Rewards

Q12. When I do a good job, I receive the recognition for it that I should receive

Q21. I do not feel that the work I do is appreciated

Q30. There are few rewards for those who work in the line of business

Q39. I dont feel my efforts are rewarded the way they should be



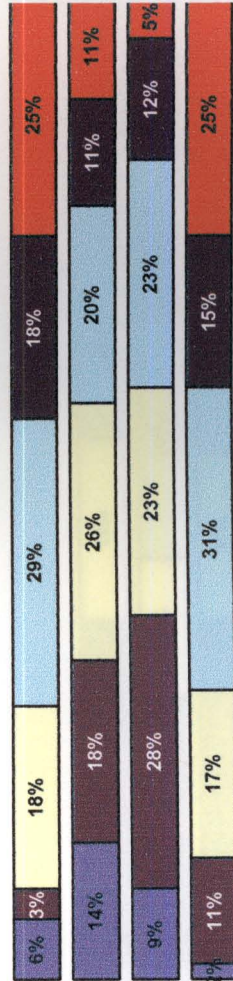
## Operating Conditions

Q 13 Many of BT wholesale rules and procedures make doing a good job difficult

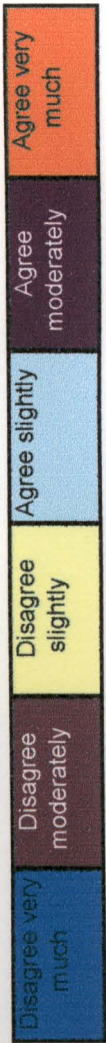
Q 22 My efforts to complete a good job are seldom blocked by red tape

Q 31 I have too much to do at work

Q 38 I have too many e-mails to deal with



# Key



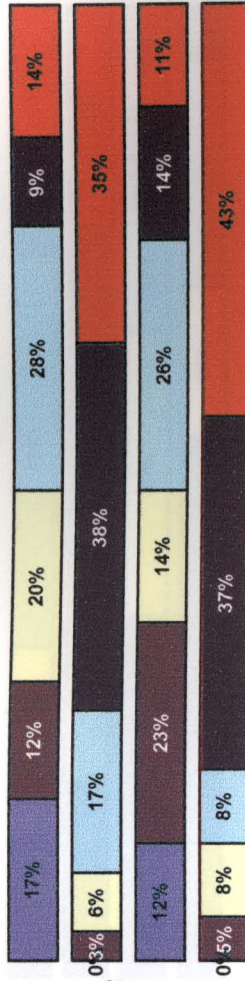
## Colleagues

Q 14 I like the people I work with

Q 23 I find I have to work harder at my job because of the incompetence of other

Q 32 I enjoy working with my colleagues

Q 41 There is too much bickering and fighting at work



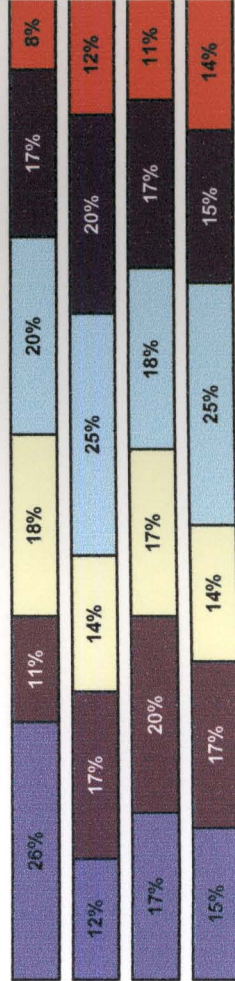
## The Job

Q 15 I sometimes feel my job is meaningless

Q 24 I like doing the things I do at work

Q 34 I feel a sense of pride in doing my job

Q 42 My job is enjoyable





Key

Disagree very much	Disagree moderately	Disagree slightly	Agree moderately	Agree very much
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Communication

Q 16 Communications are extremely good in BT

Q 25 The objectives of BT are not clear to me

Q 33 I feel that I dont know what is going on in the BT

Q 43 Work assignments are not fully explained

